Ontario

Ministry of Tourism and Recreation

RECREATION...a changing society's economic giant

FINAL REPORT VOLUME 1

An economic impact study prepared by

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In Association With

G.M. Stamm, Economic Research Associates

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October 1983

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yours
to discover!

Office of the
Minister

Ministry of
Tourism and
Recreation

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October 13, 1983

It is my pleasure to release this report regarding the economic and social impact of recreation in Ontario. This is the most detailed and comprehensive study of its kind carried out anywhere.

This study indicates that recreation is a major economic force within Ontario, involving expenditures of many billions of dollars. In addition, the Ministry of Tourism and Recreation's activities and funding are responsible for generating private recreation expenditures many times in excess of the Ministry's contributions.

In addition to its economic impact, the social impact of recreation is especially significant. Recreation is a priority in the lives of Ontarians, and as the Report indicates, "Recreation plays a key role in community life, and personal life". The impact of recreation on mental health, on physical health, and on other factors, is also documented.

Volunteers play a key role in recreation. Without their contribution, many sports, fitness and recreation programs literally could not operate. The role of volunteers has significant economic implications, discussed within the report.

This study will have significant importance for recreation planners and practitioners, municipal officials, for many components of the private sector, and for others involved in the study and delivery of recreation services.

Further information can be obtained by contacting any local Community Programs Office of the Ministry of Tourism and Recreation.

Yours sincerely,

Reuben C. Baetz
Minister

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September 6, 1983

Mr. Burt Perrin and
Mr. Bill Knott
Co-chairmen
Economic Impact Study Steering Committee
Recreation Division
Ministry of Tourism and Recreation
77 Bloor Street West
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Dear Messrs. Perrin and Knott:

Re: Economic Impact Study

We are pleased to submit our Final Report and Background Papers.

We believe this study constitutes an important first step in recognizing and quantifying the wide-ranging economic impact of the Division's programs on the provincial economy. We trust that the information in this report provides a useful basis for the development of an on-going information system for the continuing assessment of this economic impact and the shaping of Divisional programs and activities.

We wish to thank you, the Steering Committee and the Ministry for the excellent co-operation and assistance we received throughout this study.

We appreciate the opportunity to have worked on this important project.

Yours truly,

Earl H. Berger, Ph.D. (Econ.)
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EHB/WC/BT:dm
Encl.

ACKNOWLEDGEMENTS

This study could not have been completed without the active co-operation and considerable assistance of many people. In particular, we acknowledge the help we received from the co-chairmen of the Recreation Steering Committee, Burt Perrin and Bill Knott; the members of the Steering Committee, Betsy Tomasik, Jim Bradley, Gord Smith, Fred Gibbons and John Shipman; the Branch managers and others in the Division whom we interviewed; the Sports Information Resource Centre, which made its information search facilities available to us; Lance Bisch and his staff in the Sault Ste. Marie office, and Harold Brain and Jim Maxwell of Sault Ste. Marie Parks and Recreation; the staffs of the Ice Skating Association, Ontario Ringette Association, Figure Skating Association (Ontario), Hockey Ontario, the Ontario Hockey Association and Lois Kalachman, all of whom went to considerable trouble to assist us in our case studies.

We also wish to acknowledge the co-operation of Dr. Gilbert Heseltine, Mental Executive Co-ordinator, Mental Health Policy and Planning, Ontario Ministry of Health, for allowing us to incorporate into this Final Report the results of the survey of employee health promotion programs.

PREFACE

> "...it is generally felt and recognized that recreational and physical cultural facilities should be available to all communities in the Post-War period to assist in curbing juvenile delinquency, recreating and rehabilitating returned service men, also developing physical fitness in the youth of our Township, and if unemployment difficulties arise, provide recreation programs for those with leisure hours."
>
> Resolution, Stanford Township Council, May 15, 1944.

Perhaps the major conclusion we have drawn from this study is the durable and powerful belief in recreation by the people, the communities and the elected and appointed officials in this province. There is an unyielding and widespread conviction about the social and human benefits of recreation. We find it in 1944 municipal resolutions, and 39 years later in Cabinet documents.

What has been missing, however, has been that hard edge of verifiable documentation which takes the claims of "quality of life" out of the realm of conviction and places them firmly in that of test and demonstration, where the more pragmatic and scientifically minded are comfortable.

We undertook this study as an exercise in economic impact analysis, and our concerns were primarily technical: obtaining adequate data and bringing appropriate methodologies to bear on that data. What we found was evidence that the hold of recreation on the public mind is matched by its importance in the provincial economy. We also found the outline of a comprehensive context within which the claims of "quality of life" can be examined and tested.

We take no credit for originality. The information was available. What we had was the opportunity to address the subject in a more comprehensive, albeit limited, way through the perspective of economic analysis than had been available to others, and we acknowledge our debt to them. We are aware of the shortcomings of this study, undertaken within a relatively limited period of time and limited budget. We are confident, however, that the information contained herein provides a context for planning and decision-making within which both quality of life and economic implications sit together comfortably.

EXECUTIVE SUMMARY

A study of the economic impacts of the activities of the Recreation Division was carried out. The consultant team worked under the guidance and with the excellent assistance of the Economic Impact Study Steering Committee established by the Division. The following sets out our major findings.

The economic impact of total Division expenditures is estimated to be in the order of 1:9.07. That is, for every dollar spent by the Division, including staff salaries and administrative expenses, $9.07 was generated in the provincial economy. The breakdown is:

o	Direct private expenditures on recreation	$ 4.60
o	Composite provincial multiplier	4.00
o	Value of volunteer time	0.47
	Total	$ 9.07

This figure is conservative in our opinion. Based on our case studies and on our review of the literature regarding physical and mental health and worker performance, the actual impact may well be higher. By way of comparison, other studies indicate that expenditures on provincial parks generate an impact of less than 1:3 and those on culture generate impacts of about 1:2.6.

The magnitude of this economic impact justifies consideration of recreation as an important tool of economic development and this should be discussed with other appropriate Ministries.

There is a close relationship between tourism and recreation activities, and the Ministry of Tourism and Recreation should incorporate this relationship in its planning and delivery of programs.

Recreation activities, particularly fitness programs, have a major potential for human benefits and cost savings in both physical and mental health. The evidence is particularly persuasive regarding the effectiveness of such programs in the workplace. The Client should review these findings with the Ministry of Health, particularly considering the Client's already substantial experience with workplace programs.

Similarly, recreation programs appear to play a vital role in community stability, particularly in municipalities at risk because of high unemployment or other stresses. Municipalities should be encouraged to take these considerations into account in their overall planning. These findings should also be reviewed with the Ministry of Community and Social Services with a view to co-ordinating programs.

This economic impact study is the most comprehensive and detailed of its kind that we are aware of. The results, therefore, should be considered preliminary but more than sufficient as a first basis for policy and program purposes regarding economic impacts and related objectives.

1.0 CONCLUSIONS AND RECOMMENDATIONS

This report contains the following:

Summary of Major Findings and Conclusions
Background Paper #2: Literature Review
Background Paper #3: Ice Skating Case Study
Background Paper #4: Interview Results
Background Paper #5: Quantification of the Economic Impact of the Recreation Division's Programs*
Background Paper #6: Sault Ste. Marie Case Study

Interim Report #1 on the Economic Impact Model is superseded by Background Paper #5.

The following is a summary of our conclusions and recommendations drawn from this material.

1.1 ECONOMIC IMPACT

The primary objective of this study was to identify the economic impacts of the programs and services of the Recreation Division, Ministry of Tourism and Recreation.

This economic impact reaches into every sector of the economy and is extremely important. To take examples close at hand: organized skating in Ontario creates direct public and private expenditures of some $533 million annually: registered figure skaters alone spend some $3 million a year just on skate sharpening and almost $8 million on costumes; registered amateur hockey players, coaches, parents, volunteers and spectators (excluding Junior A and professional hockey) spend a minimum of $418 million a year on equipment, ice time, boot laces, travel and accommodation, hot dogs, chips and the like; and that does not take into account the multiplier effect or the expenditures of everyone else who just goes out and skates.

Our analysis leads us to the conclusion that the economic impact of expenditures by the Recreation Division is 1:9.07: that is, every dollar spent by the Recreation Division, including staff salaries, generates $9.07 in additional expenditures throughout the provincial economy. These expenditures are made up as follows:

o	Direct private expenditures on recreation	$ 4.60
o	Composite provincial multiplier	4.00
o	Value of volunteer time	0.47
	Total	$ 9.07

The value of volunteer time is taken at $10 per hour, the average provincial wage, and represents a net addition to the provincial economy.

This estimate of economic impact is based upon a number of assumptions which may require revision. The findings from our two case studies - Ice Skating and Sault Ste. Marie - suggest that this estimate may be conservative. We are confident, however, that the ratio of 1:9.07 is representative of the order of magnitude of the economic impact of the expenditures of the Recreation Division.

By way of comparison, an earlier study determined that the economic impact of performing arts and cultural facilities was in the order of 1:2.6 to 1:3.6, depending on the calculation. A review by the Ministry of Natural Resources of the economic impact of Ontario provincial parks indicated a ratio of somewhat less than 1:3.

Our estimated ratio of 1:9.07 takes into account only identifiable expenditures related to Division funding. It does not include any estimate of the value of those benefits, in the field of health for example, which are derived from expenditures in recreation. Consequently, our ratio is conservative.

In Background Paper #5 we have detailed the assumptions upon which our estimate of economic impact is built and identified the information gaps which we have had to cover. Our review of the available literature suggests that this is the most detailed and comprehensive analysis of its kind yet carried out in Canada.

1.2 VOLUNTEERS

One of the more substantial findings of this study was the unexpectedly large economic role played by volunteers. The economic, as well as social, value of volunteers is so great that possible reductions in programs designed to encourage or upgrade the skills of volunteers should be regarded with caution.

We note, for example, that the amount of volunteer time dedicated to leisure activities, including recreation, is estimated at 20.4 million hours (1979) or approximately $204 million, based on the average provincial wage; for sports activities specifically, volunteers spend about 15.5 million hours annually - which is worth about $155 million. These estimates do not include out-of-pocket expenditures by the volunteers in the pursuit of their avocation.

In Ontario, the more general category of "Leisure", which includes non-sports recreation activities, ranked third in the proportion of total volunteer hours: Social Welfare (33%), Religious (29%), Leisure (20%), Education (17%), Health (8%), Other (15%).

These figures substantiate our conclusions regarding the high priority which Ontario residents allocate to recreation and associated activities.

1.3 SEAMLESS WEB

We were unable to carry out a comparative analysis of the economic impacts of the three Branches of the Division: Sports and Fitness, Recreation, and Community Programs. The reasons for this are important in terms of the recreation market generally and the organization of the Division.

Almost everyone in Ontario invests heavily in recreation: in 1981 municipalities spent $538 million on recreation; the private sector invests some $271 million annually in recreation facilities; the average family in Ontario spends about $2,300 a year on recreation; volunteers spend about 20.4 million hours a year supporting leisure activities; and more than 3 million Ontario residents engage in some regular fitness activity at least once a week.

The population of Ontario represents a vast "recreation market". The various Branches of the Recreation Division act simultaneously on that market. It is impossible to determine where the influence of one Branch leaves off and that of another begins when we try to assess why people decide to engage in a given recreation activity. To borrow a literary term, the activities of the three Branches of the Division act as a "seamless web" in their effects upon the population. We are not certain that these synergistic and additive effects are taken into account in the organization of the Division's resources and the Division may wish to examine this matter.

1.4 TOURISM

There is a close relationship between recreation and tourism. A recent study determined that recreation is one of the principal reasons for tourism activity. Participation in sporting events and outdoor activities occurred in 24% of all tourism trips, and recreation and pleasure were the primary motivations in 35% of all trips. There are opportunities here for intra-Ministry coordination which should be examined.

1.5 MUNICIPALITIES

The Division's contribution to municipal capital projects averages 18.7% of capital costs. Smaller municipalities receive up to 35% of their costs from the Division and the regional and larger municipalities receive on average about

11% of their capital costs. The extent of the Division's contribution to these municipal capital projects suggests strongly that a number of such projects would not have been completed, particularly in the smaller municipalities, without this contribution.

In contrast, the Division contributes, on average, only about 1.6% of municipal operating costs for recreation. It would be useful to determine how significant this contribution is.

It is not clear that municipalities are aware of the far-reaching economic and related implications of their expenditures in recreation facilities and programs. The Division should encourage and assist municipalities to include these implications in the municipalities' consideration of recreation master plans, program delivery and program development. As we shall see, these implications carry far beyond dollars and cents. Municipalities should be made cognizant of these implications through a structured information program.

1.6 ROLES OF DIVISION FUNDING

Division funding to various capital and operating programs fulfills a number of different roles. At one level, Division funding helps to sustain long-standing undertakings which are also supported by the municipality and the private sector. At another level, particularly for new programs, Division funding - no matter how small - provides the essential ingredient of credibility which the program requires in order to develop its position in the community and raise funds from other sources.

Again drawing from our case studies, Division support for Speed Skating began in 1981 and was the essential ingredient in giving the association a base from which to build. In 1982, the Ice Skating Association and its members received about $81,000 from the Division and generated direct expenditures of some $500,000.

With some exceptions, the presence of Division funding is a prerequisite of acceptance at the regional or local level. In most cases, recreation organizations which fail to receive some measure of support, financial or other, from the Division usually find it difficult if not impossible to obtain significant funding and support from their local communities on a long-term basis.

At yet another level, our Sault Ste. Marie Case Study demonstrates that very small Division grants for leadership training can generate considerable benefits in terms of assisting local individuals to establish, organize and expand community agencies to deal with the substantial social and personal problems created in the community by a 30% unemployment rate. The economic value of this assistance can be measured with some difficulty. But, we suggest that the social benefits are so clear that the highly detailed analysis required for such measurements need not receive high priority.

Consequently, the importance of Division funding cannot be determined simply by the size of a particular grant. It has to be viewed contextually in terms of the role which the grant will play - legitimacy, credibility, on-going support, organizational development, for example - and the role of the recipient as organizer, facilitator, provider.

The same holds true for the various Branches of the Division. It is not within our Terms of Reference to comment on the organization of the Division. But, dealing strictly with economic impact, we note that the Community Programs Branch, which has no funds to distribute and acts primarily as a facilitator, plays at least as important a role with respect to economic impact as do the other Branches which do have funds to distribute. Without the facilitation role played by Community Programs there would be that much less out in the communities worthy of funding.

1.7 HEALTH

There has been a major increase in health and lifestyle promotion programs across the province because of their perceived benefits to physical and mental health and the consequent savings in medical and workplace costs. We have detailed these programs and their benefits in considerable detail in Background Paper #2 because of their major importance to the provincial economy and the roles of the Recreation Division. The evidence of benefits is so persuasive, and the implications so considerable, that we ask the reader to turn to that report. We acknowledge our debt to Dr. Gilbert Heseltine, Executive Coordinator, Mental Health Policy and Planning, Ontario Ministry of Health, for allowing us to use material for this report. We note that the relevance of Division programs to physical and mental health are substantial and open up possibilities for co-ordination between the Division and other ministries and also with the private sector. These possibilities need more detailed examination than we can provide within the context of this study.

1.7.1 Physical Health

There is persuasive international evidence that appropriate sports and fitness programs involving physical activity have a strong bearing on physical health. The benefits can be measured along such dimensions as weight loss, cardiovascular fitness, systolic and diastolic blood pressure, cholesterol levels and incidence of heart attacks.

Other benefits can be measured in terms of visits to doctors, sick days, work absenteeism, job turnover, employee morale and, sometimes, work productivity. Background Paper #2 sets out these findings in more detail. In particular, we emphasize the importance of such programs in the workplace and the growing number of organizations, large and small, implementing these programs for their workers.

The resultant savings to these organizations, to the insurance companies and to the Ministry of Health can be considerable. The Recreation Division has the resources, the experience and the programs in place to facilitate and support the expansion of such programs and is already undertaking work in this field through the Sports and Fitness Branch. Few other ministries or organizations in the province have this capability and competence.

In our opinion, the Ministry of Tourism and Recreation is, therefore, the logical choice as lead ministry in this field. Objectives can be established - for example, regarding penetration of the organizational market - program criteria established, progress measured. We recommend that the Division review the potential for co-operative action with the Ministry of Health. The Division should also review the potential for co-operative action with various insurance companies and others in the private sector, perhaps on a demonstration basis.

For example, below is a description of the number of employees in companies of various sizes. It might be useful to identify those companies by size which seem most appropriate for targetting by the Division with respect to its fitness and other programs, in conjunction with the Ministry of Health.

Distribution of Employees by Company Size: Ontario

# of Employees in Company	# of Companies
0	10,673
1-4	169,675
5-9	35,036
10-19	18,640*
20-49	8,681
50-99	2,998
100-199	1,430
200-499	935
500-999	278
1,000-1,499	79
1,500-2,499	103
2,500-5,000	94
5,000+	57
Unknown	17,541
TOTAL	285,752

* Plus 19,532 companies with no further breakdown: i.e., 1-19 employees.

Source: Statistics Canada.

1.7.2 Mental Health

There is equally persuasive evidence that recreation plays a critical role in the mental health of individuals. At an anecdotal level, we have the evidence from Sault Ste. Marie where enrollment in organized recreation and sports activities has increased steadily along with the increase in unemployment to the point where many local facilities and programs are "bursting at the seams". The reluctance of the unemployed to give up recreation activities, even when a cost is involved, provides stark evidence of the psychic importance of these activities to the individual.

At a more comprehensive level, we find substantial literature and evidence which substantiate the beneficial effects of recreation, fitness, sports and associated lifestyle programs upon the mental health of the individual. These benefits can be measured in terms of anxiety states, depression, sick days, absenteeism, suicide, job turnover, work performance, to name some. The resulting savings to the organizations implementing such programs are considerable. So are the benefits to the Ministry of Health and the public sector economy in terms of reduced demands upon medical and social services, welfare payments, lost income tax caused by unemployment and so forth. There are other benefits to the private sector in terms of reduced demands on medical, dental and life insurance and savings and retirement programs.

A number of these programs involve a comprehensive range of services, including mental health counselling as well as recreation and lifestyle programs. Although the Recreation Division is not in the field of mental health counselling, the programs it already offers, and has the potential to offer, can be a critical adjunct to such counselling programs and play an essential role in preventive mental health programs.

We recommend that the Division meet with the Ministry of Health and with other affected organizations regarding co-operative actions and possible roles and responsibilities. We suggest that this is a matter which will also be of interest to the Ministry of Labour.

1.7.3 Community

There is strong anecdotal evidence, as we noted earlier, that recreation plays a critical role in community life and in supporting community cohesion and stability, particularly in communities at risk for reasons such as high unemployment. This was clearly impressed upon us by municipal officials in Sault Ste. Marie; looking further afield, we doubt municipal governments across Ontario would continue to spend so heavily on recreation if they did not believe that the benefits were worth the cost.

We cannot point to formal data on this matter. We do, however, suggest that the instincts of municipal politicians in this regard, and the behaviour of individuals, provide convincing evidence of a sort which deserves additional study. We recommend that the Recreation Division examine the feasibility of obtaining reliable information on the subject. We expect that the Ministries of Community and Social Services, and Correctional Services, would have some interest in such an examination.

In the meantime, we suggest that the evidence available is sufficient to justify an examination by the Division of the stock of capital facilities and programs across the province, particularly in at-risk municipalities. The Division should also discuss with these municipalities the adequacy of this stock to meet their needs as they move through the difficult processes of long-term unemployment and underemployment.

1.7.4 Gaps

We have found almost nothing in the literature concerning the economic impacts of non-athletic forms of recreation. For example, we found little regarding the effects of such recreation programs upon the non-working population: the unemployed, mothers at home, non-school age children, senior citizens and low income individuals.

The absence of such information should not be taken to mean that there are no economic impacts, or that such as do exist are too insignificant to justify examination. This field of study is so new that the absence of information signifies little. If the continuation of such programs is called into question because of the absence of such information, we would recommend that the Division examine the feasibility of collecting reliable information on this subject.

1.8 EDUCATION

This study demonstrates that it is possible to identify all or most of the economic impacts of recreation. More specifically, the perceived "quality of life" benefits can be identified, segregated and an economic analysis applied to them.

It is our impression that some Division staff, and some of those responsible for the teaching and application of recreology, are not familiar with this economic perspective nor with its implications for assigning values to various recreation and related activities. This is a subject which the Recreation Division should bring to the attention of its own staff, to the Ministry of Education, the Ministry of Colleges and Universities and to others as the Division deems appropriate. We do not suggest that an economic analysis should constitute the major determinant in the development or delivery of programs and facilities. We do note, however, that such an analysis can add flesh to the bones of conviction regarding quality of life and can also assist in determining the most useful allocation of scarce resources.

1.9 SUMMARY OF RECOMMENDATIONS

The following is a summary of our major recommendations. These recommendations are not intended to imply that recreation programs should be regarded solely or primarily in the context of their economic implications. The intent of these recommendations is to ensure that the economic implications are given appropriate consideration. What is "appropriate" will likely vary from situation to situation, depending upon circumstances.

1.9.1 Economic Development

1. **The effects on the provincial economy of recreation activities are so substantial that the Ministry of Tourism and Recreation should review these effects with those Ministries involved in economic development with a view to delineating an economic development role for the Recreation Division of Tourism and Recreation and enhancing interministry co-ordination.**

2. **We recommend that the Ministry of Tourism and Recreation, as the "lead Ministry" for recreation, proceed with the recommendation in the proposed "Framework for a Provincial Policy on Community Recreation Services" to review all existing government programs in recreation and the existing roles and relationships between ministries with the objective of optimizing the services provided.**

   This optimization would pertain both to the economic effects of recreation and to the need to maximize the effectiveness of existing recreation resources in enhancing the quality of life in Ontario.

1.9.2 Ministry of Tourism and Recreation

1. **We recommend that the Tourism and the Recreation Divisions co-ordinate their activities more closely because of the linkages between recreation and tourism. The findings of this study with respect to these linkages might provide a useful point of discussion.**

1.9.3 Ministry of Health

1. **We recommend that the Ministry of Tourism and Recreation meet with the Ministry of Health, and with private**

sector organizations, regarding co-operative programs and activities, and possible roles and responsibilities for the Recreation Division in the fields of physical and mental health: fitness programs, employee health promotion and lifestyle programs and the like. Target markets should be identified and marketing strategies established for market penetration.

2. The Ministry of Health should be informed of the Recreation Division's skills and experience in community organization and development, facilitation, private sector co-operation and in other areas which would be valuable to the Ministry of Health in its primary prevention programs in physical and mental health.

   This is a matter which may also be of interest to the Ministry of Labour.

1.9.4 Municipalities

1. Municipalities should be made cognizant of the economic, and the social, implications of recreation activities by the Recreation Division through a structured information program. This program might include both written material and workshops.

2. The Division should also encourage and assist municipalities to consider these implications in their recreation master plans, program delivery and program development.

3. The evidence regarding the importance of recreation to the social fabric of communities is sufficiently persuasive to justify preparing an inventory of capital facilities and programs across the province. First priority should be given to at-risk municipalities. The Division should discuss with these municipalities the adequacy of their stock to meet their needs as they move through the difficult processes of long-term unemployment and underemployment. The implications can be reviewed in the context of the deliberations recommended above in 1.9.1.

4. There is no comprehensive listing of the programs provided by local municipalities or of the number of persons participating in such programs. We recommend that the Division encourage municipalities to develop such information for their own use and to assist the Division to identify the effectiveness and benefits resulting from its funding and other programs. The Division may wish to begin this process on a demonstration basis using a sampling of local municipalities (see below: Research, 1.9.8).

5. Operating grants to municipalities for recreation (Regulation 653) totalled some $7.1 million (1981). This sum represents only 1.6% of total municipal expenditures on recreation operations. The Ministry may find it helpful to review the significance of Class 1 and Class 2 grants to the larger and to the smaller municipal governments and examine the economic and other implications of shifting an increased proportion of the grants to the smaller municipalities.

1.9.5 Education

1. The Ministry should encourage a sound understanding of the economic implications of recreation activities among both practitioners and those teaching the practitioners. This is a matter which the Ministry should bring to the attention of its own staff, to the Ministry of Education and the Ministry of Colleges and Universities, to local organizations, volunteers and others.

2. We expect that academics, municipal officials, providers and volunteers should be approached in different ways. We recommend that a set of information packages be prepared for different audiences, using this study and other materials as sources. Several workshops might be held with key individuals across the province to explain the findings of this study and to explore the most effective means of imparting the information.

1.9.6 Division Organization

1. It is beyond our Terms of Reference to comment on the organization of the Recreation Division. However, we expect that our findings set out in Background Paper #4 can be useful to management, particularly if these findings are up-dated on a yearly or regular basis, with respect to:

   - New-staff orientation
   - Staff orientation on changes in the Division
   - Budget review
   - Data bank for short-range and long-range planning
   - Orientation of elected officials and civil servants unfamiliar with the operations of the Division
   - Evaluation and organization review.

2. In their planning and provision of services and funding, Division management should take into account the cumulative effects of Branch activities upon similar target populations.

1.9.7 Volunteers

1. Volunteers are essential to provincial recreation activities and, consequently, play an important role in the provincial economy. The Ministry should encourage the expansion of the volunteer base however possible.

2. This implies the continuation and possible expansion of leadership and other training and skills upgrading programs and the examination of ways to maximize the usefulness and loyalty of volunteers.

3. These programs should include information on the economic importance of recreation activities and of the role played by volunteers.

1.9.8 On-Going Information

1. Existing information systems should be expanded and improved to provide more comprehensive data on a regular basis and to reduce the need for special studies when information is required, as it was for this study. As a start, an expanded information system might include:

    a.) More specific information on Divisional funding and services: how much goes to each recipient - municipalities, provincial recreation associations and others; distinguishing between capital and program funding, and between programs delivered directly through the Division and those delivered through intermediary agents such as municipalities.

    b.) What is done with the money; this is partially available, although not how much additional funding Division funding generates.

    c.) How many participants are reached by each of the programs funded by the Division.

    d.) The number of volunteers in each program; this may prove to be difficult, but some effort should be made to determine how many volunteers are working on each of the various activities as a start to determining what they do and how their effectiveness might be improved.

2. **We recommend that recipients of Division funds maintain standardized records as the basis for this information system, and which can be collected and reviewed by Division staff on a regular basis as a means of monitoring program penetration, effectiveness and impacts.**

3. **This information system should include non-athletic recreation programs so as to provide primary data from which some estimate can be obtained of their economic, and their social, implications. We regard this as a matter of importance because sports and fitness activities tend to have a higher public profile, possibly at the expense of lower profile recreation activities.**

4. **If financial support for these non-athletic programs were called into question because of the absence of such information, we would recommend that the Division examine the feasibility of undertaking a special study to collect reliable information on this subject.**

1.9.9 Research Programs

We have been asked to identify additional research projects which we consider to be of high priority. The definition of priority is the prerogative of the Ministry. The following recommendations pertain to that research which we consider would be useful in the context of economic impacts and describe briefly the rationale.

1. **Case Studies. The knowledge base concerning economic impacts should be expanded by undertaking additional case studies. In particular, additional case studies of municipalities should be carried out to obtain more detailed knowledge of the relationships between Division funding and local activities and impacts of an economic and social nature. Because of current economic conditions, first consideration might be given to at-risk municipalities. This activity might be co-ordinated with the development of the information system proposed in Recommendation 1.9.8.**

   Because of the far-reaching social and health implications of such case studies, other Ministries such as Health and Community and Social Services should be encouraged to participate.

2. **Elite and Non-Elite Recreation. Common sense suggests that Recreation Division support for sports governing bodies and other sports organizations plays a major role in developing elite and professional athletes. It would be useful to explore this relationship in order to clarify further the economic implications of the activities of the Division.**

3. **Economic Impact Model.** **The economic impact model and analysis described in Background Paper #5 should be tested and revised appropriately as additional information is obtained through the implementation of the nine sets of recommendations set out above.**

We reiterate that our recommendations are not intended to imply that the primary thrust of the Recreation Division should be economic. We do, however, repeat our earlier assertion that economic analysis can provide one means of identifying, segregating and quantifying various components of "quality of life".

2.0 INTRODUCTION

This is our Final Report on the Economic Impact Study of the activities of the Recreation Division. This study incorporates and updates the major findings set out in the five Background Papers.

Background Paper #2	Literature Review
Background Paper #3	Ice Skating Case Study
Background Paper #4	Interview Results
Background Paper #5	Quantification of the Economic Impact of the Division's Programs
Background Paper #6	Sault Ste. Marie Case Study

These five Background Papers each reflects the state of knowledge at the time it was prepared. As additional information was gathered this was incorporated into a revised version of the affected Paper. Consequently, the reader should refer only to those editions of the Background Papers associated with this Final Report.

2.1 OBJECTIVES AND TERMS OF REFERENCE

The primary objective of the Economic Impact Study is,

"...to identify the economic impacts of the programs and services of the Community Programs, Sports and Recreation Division of the Ministry of Tourism and Recreation."

The Client identified three specific needs for economic impact information:

1. To indicate the economic contribution of the Division's programs and services to the province.
2. To indicate cost-benefit advantages of continued funding of the Division's programs and services.
3. To provide a basis for indicating economic benefits of expanded funding for existing programs and for new initiatives.

To this end, the consultants were required to produce the following:

1. A conceptual model for the analysis of direct and indirect economic impacts.

2. Identification of all relevant indicators.

3. Analysis of economic impacts of Sports, Fitness, Recreation and (where appropriate) Community Programs, by category and combined for the total Division. These impacts are to be quantified where possible and the "best estimate of total impact" is to be provided.

4. Documentation of case studies to test, illustrate and refine the conceptual model and indicators.

5. Recommendations for refinement of economic impact information, including those significant areas of economic impact which require further research.

Caveats. Some of the detailed components of the Work Program cannot be completed because of lack of information, a possibility which had been foreseen and discussed in our proposal under "Study Constraints".

Nonethless, we are confident that our findings on the quantifiable dollar value of the Recreation Division's economic impact on the province, and on the non-quantified economic impacts, are reliable representations of the best knowledge available at this time.

With respect to the quantified dollar impact of 1:9.07, we have detailed the specific assumptions we have used. It may be that revisions to our assumptions would shift that ratio somewhat higher, or perhaps lower; however, we are satisfied that our analysis is a reliable indicator of the order of magnitude of that portion of the Recreation Division's activities which we have been able to quantify.

We emphasize that this ratio significantly or substantially underestimates the likely actual economic impact. For example, it does not take into account economic benefits in the fields of physical and mental health and work productivity and performance, which are closely related to recreation activities and therefore affected to a greater or lesser extent by the programs of the Recreation Division.

2.2 WORK PROGRAM

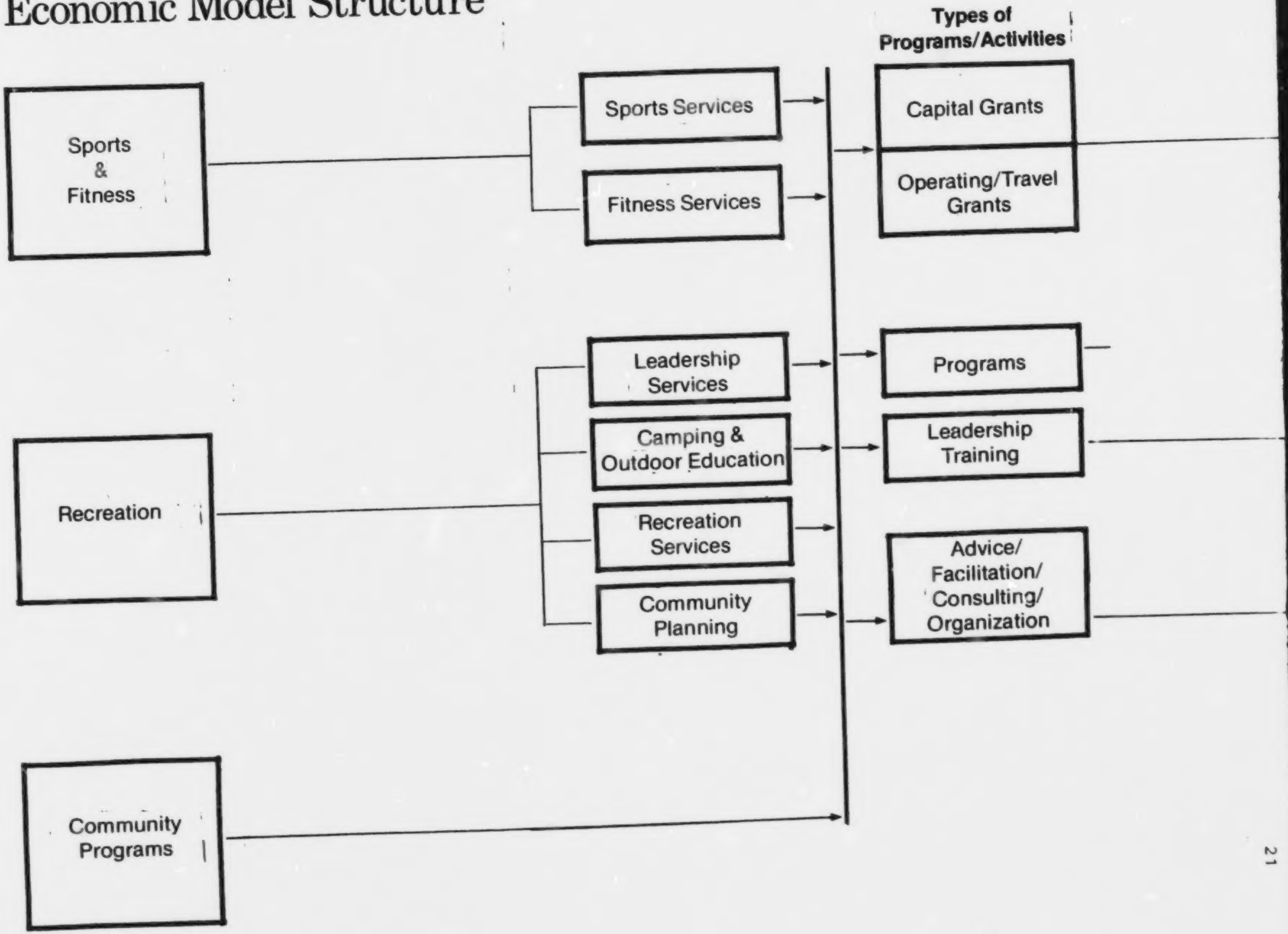
The Work Program was carried out in four concurrent streams. One involved a thorough search of the international literature on matters pertinent to the Terms of Reference. This information subsequently was supplemented by that made available through the good offices of Dr. Gilbert Heseltine of the Ministry of Health.

The second stream involved the revision and refinement of the Economic Impact Model, originally presented in conceptual form in our proposal, and the collection of information pertinent to that model.

The third stream involved the selection and development of the two Case Studies. The fourth involved the identification of funding flows within the Division; this involved interviews with Division staff and developed into a broader document spelling out the organization and operations of the Division as well as its funding flows.

Interim Reports were submitted at regular intervals on our findings. These were reviewed by the Steering Committee and revised as appropriate to ensure accuracy and clarity. Several Interim Reports were also revised as Background Papers for attachment to this Final Report.

Economic Model Structure



Types of Programs/Activities

Sports & Fitness

Recreation

Community Programs

Sports Services

Fitness Services

Leadership Services

Camping & Outdoor Education

Recreation Services

Community Planning

Capital Grants

Operating/Travel Grants

Programs

Leadership Training

Advice/ Facilitation/ Consulting/ Organization

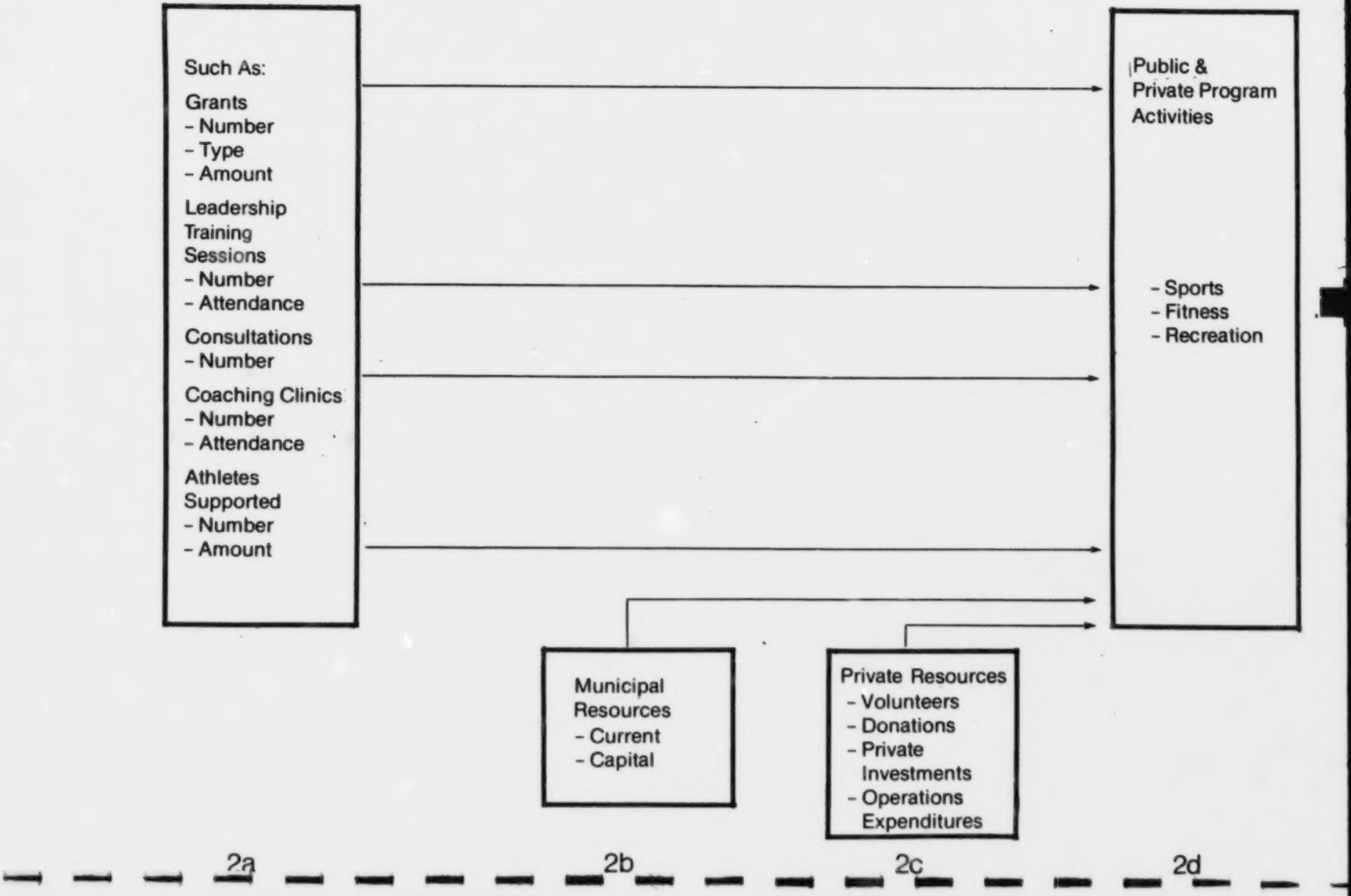
Source: G.M. Stamm, Economic Research Associates

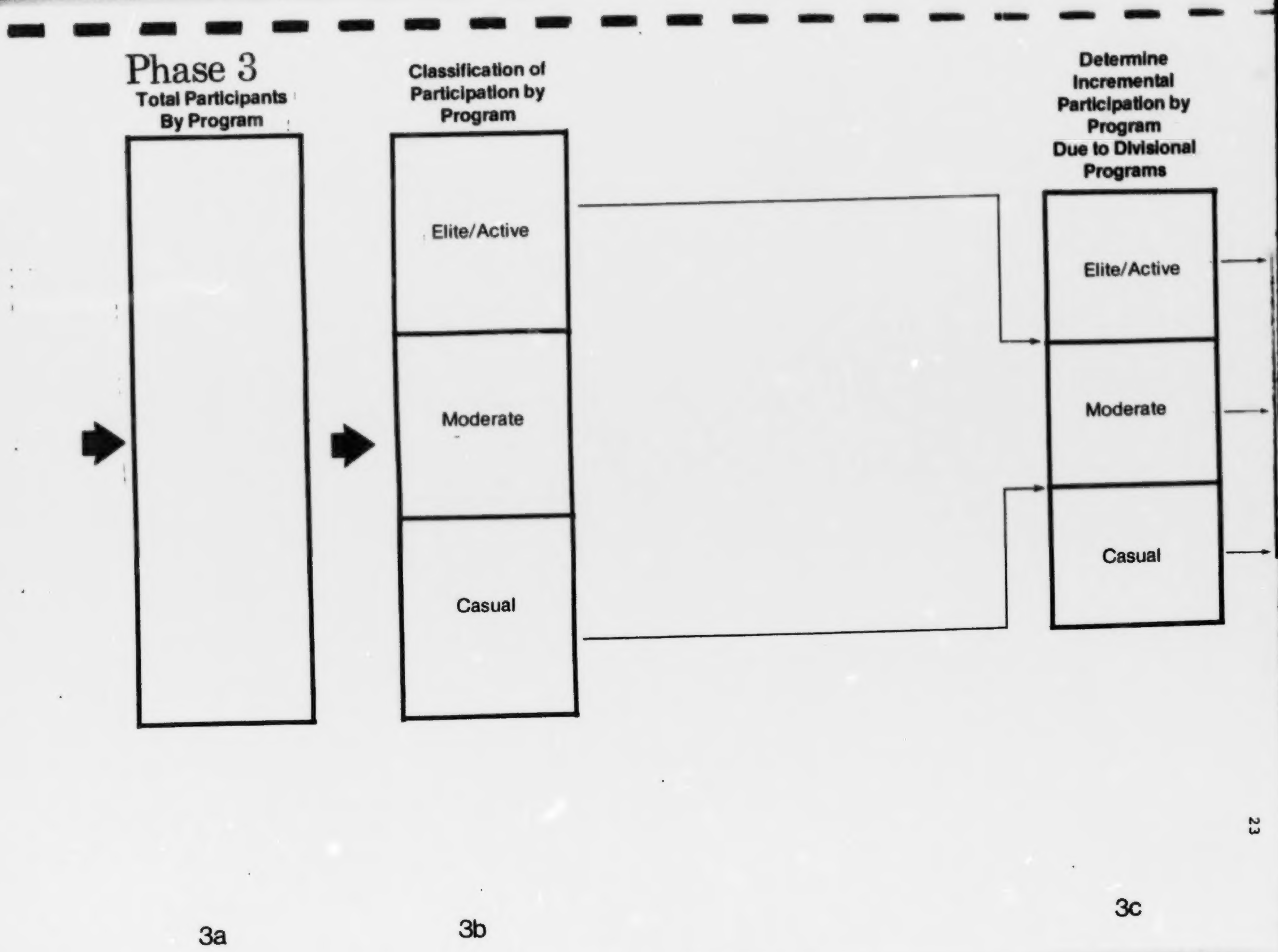
1a

1b

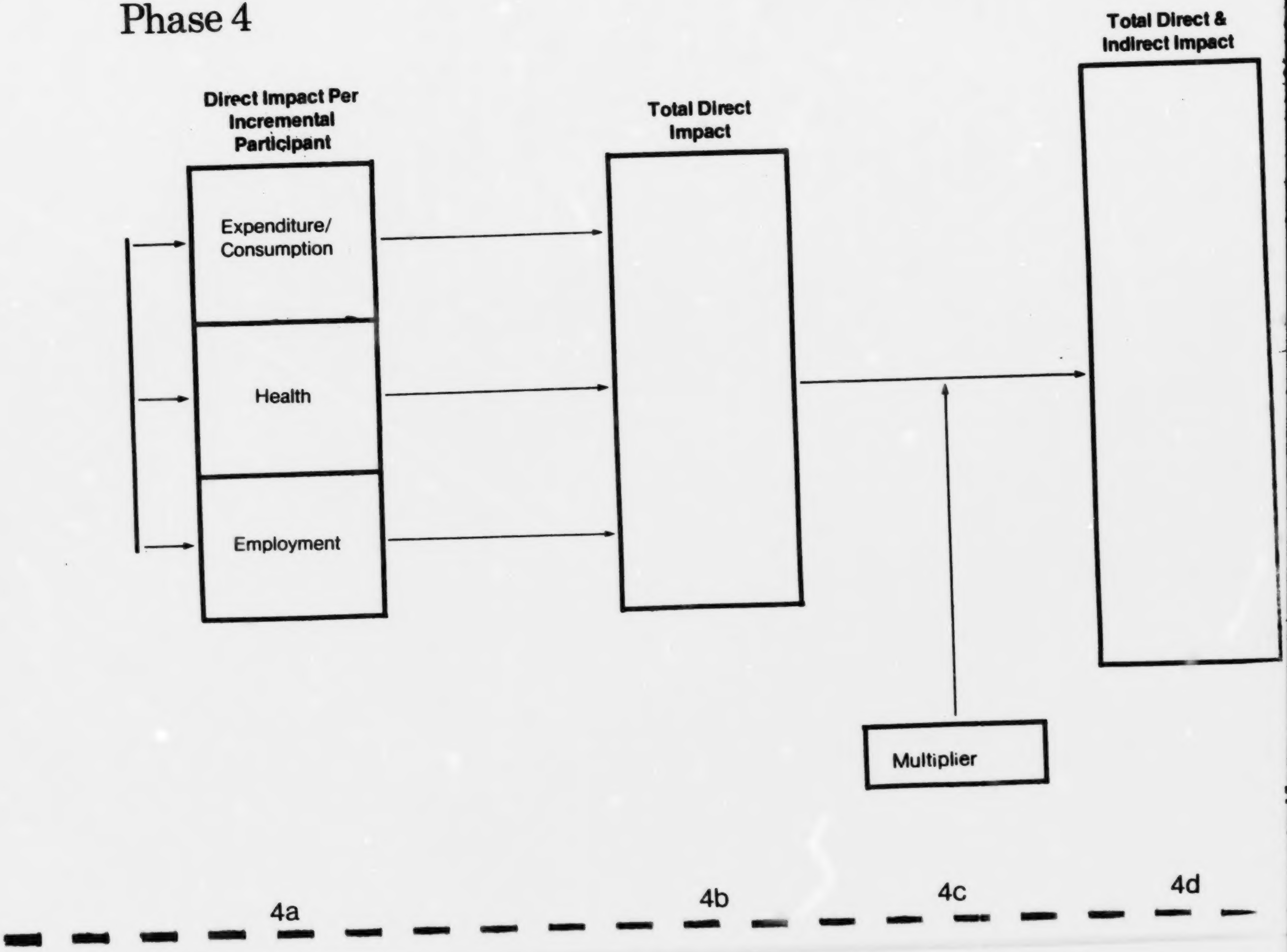
Phase 2

Intermediate Products


Such As:
Grants
- Number
- Type
- Amount
Leadership Training Sessions
- Number
- Attendance
Consultations
- Number
Coaching Clinics
- Number
- Attendance
Athletes Supported
- Number
- Amount
Municipal Resources
- Current
- Capital
Private Resources
- Volunteers
- Donations
- Private Investments
- Operations Expenditures
Public & Private Program Activities
- Sports
- Fitness
- Recreation
2a
2b
2c
2d


Phase 3
Total Participants By Program
Classification of Participation by Program
Elite/Active
Moderate
Casual
Determine Incremental Participation by Program Due to Divisional Programs
Elite/Active
Moderate
Casual
3a
3b
3c

Phase 4


Direct Impact Per Incremental Participant
Expenditure/ Consumption
Health
Employment
Total Direct Impact
Multiplier
Total Direct & Indirect Impact
4a
4b
4c
4d

3.0 QUANTIFICATION OF THE ECONOMIC IMPACT OF THE DIVISION'S PROGRAMS

3.1 INTRODUCTION

The primary objective of the overall study is "...to identify the economic impacts of the programs and services of the Community Programs, Sports and Recreation Division of the Ministry of Tourism and Recreation."

This part of our Final Report provides a preliminary estimate of this economic impact of the Recreation Division's programs upon the province. As we describe below, this impact is extremely large. However, care must be exercised in utilizing and interpreting the results of the analysis. There are several reasons for this:

1. Our results are preliminary in that subsequent analyses may qualify or adjust the results presented here. For example, the reader should examine our findings from the Ice Skating and Sault Ste. Marie Case Studies with respect to their implications for the broader-scale analysis which we have carried out here.

2. Our results are estimates due to the nature of the Recreation Division's programs. A large proportion of the Division's programs are funnelled through intermediate agents, such as municipalities and the sports governing bodies, rather than provided directly to the public. Consequently, the effects of the Division's programs upon the general public can be seen and assessed only indirectly. This presents many difficulties in the calculation of the economic impact of these programs.

The impact of the Recreation Division's programs goes far beyond the dollars and cents which we have incorporated into the analysis presented here. The Division's encouragement and facilitation of recreational activities improves the quality of life of the residents of and communities in the province. Similarly, increased sports, fitness and recreational involvement brings with it particular benefits in the areas of physical and mental health and employment. The benefits which all these activities bring with them are significant. While harder to quantify than the financial impact of the programs, these benefits are very real and important and cannot be excluded from any assessment of the total economic and social impact of the activities of the Recreation Division. These other matters are discussed elsewhere in the Final Report.

Preliminary estimates were developed based upon the use of a comprehensive model (see Chart). Our analysis, detailed in Background Paper #5, followed a four-step process:

1. A generic classification of all the Division's programs:- The wide range of programs of each of the Division's Branches has been categorized. The potential impact of each of the types of programs is quite different. For example, it would be desirable to distinguish the impact of programs which provide for capital facilities from those which finance the programmatic operations. Similarly, distinctions should be possible between programs administered and delivered directly through the Division and those delivered by intermediary agents such as municipalities, provincial recreation associations and sports governing bodies.

   Investigation revealed, however, that due to significant gaps in the availability of data, many of these distinctions could not be detailed at this time. The gathering of information should be an important research priority to allow for the full analysis of different Divisional programs.

2. An analysis of the resources which are combined with the Division's expenditures to provide sports, fitness and recreational programs:- The resources of the Division are combined with those of the municipalities and the private sector to produce a wide range of recreational facilities, services and programs for the public. This is analyzed in the second phase of the model. It is the ability of recreation to elicit such additional expenditures by the public and private sectors which serves to multiply the effectiveness and impact of the Division's programs.

3. Computation of the total number of participants and that proportion directly influenced by the Division's programs:- The third phase of the model examines the levels of participation in recreational activities and seeks to determine what proportion of such participation can be linked to the Division's programs.

4. Calculation of the economic impact of this participation, both directly and indirectly:- The fourth phase of the model combines with the previous results to calculate the total direct impact of the Division's programs. As noted above, this can be done in terms of consumer expenditures and income, and also in other areas such as health and employment. A multiplier effect occurs which translates the direct impact of the Division's programs into a total effect upon the provincial economy.

A full application of the model was not possible in the present study. Lack of information concerning the vital link between specific Divisional programs and resulting participation in activities prevented its use, as did the preliminary nature of the information concerning the links between recreational activity and health and employment benefits. Nevertheless, the model has proven useful in the study in several respects:

1. It has been used to identify key steps tracing the economic impact of the Division's programs;

2. The structure of the model serves as a research agenda for the Division, isolating particular facets for which additional examination and study is warranted;

3. The analysis has followed the fundamental process of the model -- i.e., expenditures, programs, participation, impact.

The following describes the actual analysis carried out in this study.

The programs of the Recreation Division can be categorized into four generic classifications:

- Grants for both capital construction and operations.
- Programs directed towards the general public.
- Leadership training programs.
- Advice/facilitation/consulting/organizational development.

Of the Division's total budget of $62.8 million, 85% represents transfers to municipalities, sport governing bodies and other outside groups and agencies. Of these total transfers, municipalities receive approximately one-half.

In 1981, the last year for which complete data are available, municipalities spent $538 million on recreation, with $100 million of that being for capital construction.

Provincial assistance financed 19% of the capital works for recreation. The Division also provided $7.1 million towards the operations of recreation programs in municipalities, with the greatest proportion of that assistance going to the smaller communities; 27% of the operating funds for the programs came from fees and service charges.

The Division provides support for 72 sports governing bodies. The $4.8 million of Division assistance meets approximately 38% of the total operating costs of the SGB's. Many of the SGB's, as well as several provincial recreation bodies, also benefit from location in the Ontario Sports Administration Centre (OSAC) which receives $2.5 million of funding from the Division.

Investment in recreation facilities is substantial, amounting to approximately $406 million. In addition to facilities put in place by the federal, provincial and local governments, the private sector invests approximately $271 million in recreation facilities annually.

A typical family, defined by Statistics Canada as a family, individual or group which acts as a single spending unit, in Ontario spends approximately $2,300 per year on recreation. In total, this amounts to $7.3 billion. The amounts are broken down as follows:

	$ Million
Active Recreation	$ 679
Passive Recreation	2,625
Athletic Clothing	314
Food/Travel/Accommodation	3,662
TOTAL	$ 7,278

The active recreation component represents expenditures for equipment and supplies associated with sports activity and those requiring physical exertion. The passive recreation component includes motorized sports, such as motorcycles and snowmobiles, as well as less strenuous recreational pursuits, such as photography and gardening. The athletic clothing component has been adjusted to reflect only that portion of the expenditures truly dedicated to recreation, and excluding that component associated with faddish purchase of athletic-type clothing for informal wear. The amount shown for food/travel/accommodation includes that spent for vacations and holidays and a proportionate share of expenditures attributable to recreational involvement, for travel, food and accommodation.

Recreation is one of the principal reasons for tourism activity. A recent survey by the Tourism Division revealed that participation in outdoor activities and sporting events occurred in 24% of all trips, with attendance at sporting events occurring in 6% of all trips. In total, recreation and pleasure were the primary motivations for 35% of all trips.

Volunteers in leisure activities contribute approximately 20.4 million hours per year in Ontario, with a value of $204 million, based on the average provincial wage of $10/hr. This represents a net benefit and addition to the Ontario economy. The value of volunteer time does not appear anywhere in the economic accounts. As such, it represents a net addition to the economy, and to society as a whole, which would not take place if the opportunities in recreation and sports were not present.

The participation of men in volunteer activities was especially prominent in the leisure area, due in great part to coaching of amateur athletics.

Participation in physical activities has been increasing steadily in recent years. As documented in Physical Activity Patterns in Ontario - II, approximately 60% of the adult population has been identified as physically active, an increase from 50% just three years earlier. A substantial proportion of all recreation activities take place in facilities directly assisted by the Division. For example, 51% of all swimming, 62% of all ice skating and hockey, and 59% of all tennis take place in public facilities.

In addition, the Division's programs to increase awareness and participation, and to train leaders and coaches, increase the level and quality of that participation.

Overall, it has been estimated that 14.5% of all active recreational activities and expenditures are closely related to the Division's programs. This estimate has been arrived at through a series of calculations described in detail in our Background Paper #5. These calculations can be summarized as follows:

1. Division assistance to municipalities: 51.7% of Division's transfers to outside agencies.

   Proportion of all private recreation activities carried out in municipal recreation facilities: 39.7%.

   Division contribution as percentage of capital cost of municipal recreation facilities: 18.7%.

   Division assistance to municipalities and other programs which encourage participation in municipal facilities: 39.7% X 18.7% = 7.4%.

2. Division assistance to other groups: 48.3% of Division's transfers.

   Proportion of all private recreation activities carried out in non-municipal recreation facilities (100% - 39.7%): 60.3%.

   Division assistance to other organizations and its effect on participation in non-municipal facilities: 60.3% X 7.4% = 4.4%, less 10% for overlap = 4.1%.

3. Estimated effect of direct Division programs encouraging participation in recreational and sports activities: 1%.

4. Estimated effect of direct Division programs training leaders for sports, fitness and recreational activities on private recreation expenditures: 2%.

5. Total Estimated effect of Division programs = 14.5% of private expenditures on recreation.

Consequently, $290 million of personal expenditures for recreation are closely related to the Division's programs, undertaken at a cost of $62.8 million. Thus, every dollar of provincial expenditures evokes $4.60 of direct private expenditures on recreation.

As the direct expenditures circulate through the economy, additional employment and income are generated. This is termed the multiplier effect. We estimate that the total income, both direct and indirect, generated by the Division's expenditures of $62.8 million is $536 million, or $8.60 for every dollar of Division expenditures. This figure has been arrived at by the use of a composite of four different multipliers ranging from 1.16 for Active Recreation Expenditures to 1.88 for Travel, Food and Accommodation.

In addition, volunteer time valued at $29.6 million or $0.47 per dollar of Divisional expenditure is directly related to the Division's program. This amount represents a net addition to society since the value of this work does not appear in the general provincial accounting framework.

Consequently, the total impact of the expenditures of the Recreation Division can be calculated as $8.60 plus $0.47 for every dollar of expenditure by the Division.

By way of comparision, a review of the economic impact of the Ontario provincial parks for the year 1979 indicated that direct government expenditures on the parks amounted to approximately $24.4 million, whereas direct park visitor expenditures amounted to $37.5 million. Consequently, for every dollar spent by the government on provincial parks, the general public spent directly $1.54. The application of a multiplier would generate a total provincial impact of somewhat less than $3.00 for every dollar spent by park visitors.

4.0 CASE STUDIES

4.1 INTRODUCTION

Our Terms of Reference required us to:

> "Identify selected case studies to test out and illustrate the direct and indirect economic impacts of the Division; these may, for example, trace all possible impacts of a specific program, look at all impacts in the context of a specific community, examine impacts on a specific industry and/or other approaches;"

We discussed with the Steering Committee and others, including the Assistant Deputy Minister, a number of candidates for case study analysis. Potential guidelines for the selection of possible candidates were reviewed with the understanding that two such case studies would be prepared. It was agreed that the case studies should provide a greater understanding of the economic impact model to Division staff and others, such as municipal officials, who might not be familiar with economic analysis. After some discussion, a consensus emerged that one case study should deal with a particular activity or set of related activities, and that the other should deal with a geographic area such as a region or municipality.

With respect to the latter, it was felt that this would provide a number of benefits to the Division. It would, for example, encompass all the recreation activities in which the Ministry was directly or indirectly involved; it would provide an opportunity to make some assessment of the economic implications of the work carried out by Division field offices and field staff; and, it would also enable us to address the issue of the economic implications of Division activities in localities suffering from significant levels of unemployment and attendant social problems.

Two case studies were selected: Ice Skating and Sault Ste. Marie.

There were several reasons for the selection of Ice Skating for case study analysis. These included the involvement of a substantial proportion, if not most, of the provincial population in skating activities of one kind or another at the casual, moderate or elite levels of participation; the obviously extensive economic implications of various kinds of skating activities; the existence of well-organized bodies involved with skating; and the likelihood that an adequate amount of reasonably reliable data would be available for detailed analysis. Some consideration was given to including recreational skating as well. This possibility was abandoned, however, because of the major problems it presented with respect to the availability of data.

It was agreed with the Recreation Division Steering Committee that a municipality should be selected which contained reasonably high levels of unemployment. Four possibilities were considered: Sault Ste. Marie, Windsor, Sudbury and St. Catharines. Sault Ste Marie was selected. The City of Sault Ste. Marie has a population of some 80,000 persons and suffers one of the highest unemployment rates in the province. Consequently, the city has to deal with the problems arising out of "involuntary leisure". The municipal recreation department is well organized and considerable data were available. The Ministry has a field office in Sault Ste. Marie, and its staff and municipal officials were willing to cooperate.

4.2 ICE SKATING

The following is a summary of our findings with respect to the Skating Case Study. These findings are based upon available data for Speed Skating, Ringette, Figure Skating and Hockey.

In the interest of simplicity, we have categorized Wintario Grants as part of the funding provided by the Recreation Division.

For the purposes of this Skating Case Study "economic impact" is described in terms of "total direct expenditures" which involve all the expenditures by the various groups and individuals associated with the particular skating activity. The multiplier effect is not included.

Our analysis substantially underestimates the economic impact of the Division's contribution to Skating for several reasons:

1. We have been unable to obtain complete financial and expenditure data, particularly for Figure Skating and Hockey, and, consequently, the figures we provide are incomplete.

2. We have not been able within the limititations of this study to estimate the economic impact of recreational skating nor the Division's contribution to that impact.

Even though our analysis provides only an incomplete estimate of the economic impact of the four skating sports, our findings are sufficiently well based to draw the following conclusions:

1. Skating is a major economic activity in Ontario with an identifiable value of at least $533 million, exclusive of recreational skating. This figure does not take into account the multiplier affect.

2. There is strong evidence that - Ringette and women's hockey are the most clear-cut examples - Division support, in terms of facilitation, administration, staffing, coaching and training, is an important element in expanding the level of public involvement in skating activities and, consequently, the impact of these activities on the provincial economy.

3. An examination of the details of the expenditures involved with the various skating activities indicates their importance to many sectors of the provincial economy. For example, registered figure skaters alone spend $3 million a year or more just on skate sharpening.

4. Volunteers make a major contribution in the order of $128 million to the economic impact, through both out-of-pocket disbursements and the value of their time.

5. The financial support of the Division is critical in the case of Speed Skating and Ringette. Both activities would, according to their organizers, be operating at a minimal level if it were not for the Division's financial contribution. However, as the table below demonstrates, in actual dollars the Division contribution is minor in comparison to the estimated total direct expenditures which that contribution helps generate. For example, a Division contribution of approximately $80,000 to Speed Skating helps generate total direct expenditures of some $500,500; similarly a provincial contribution of $235,000 to Ringette leads to total direct expenditures of almost $3,630,000. It is important to emphasize that comparatively few of these expenditures would have taken place in either skating activity if the Division had not provided its contribution.

   This supports our general finding that the Division's financial contribution has a value beyond that which can be expressed in dollars. The examples of Speed Skating and Ringette demonstrate that the Division's financial contribution also provides the affected organizations with the credibility necessary to obtain funding from other sources, some assurance of continued operations upon which long-term financial planning and organization can take place, plus the psychic support necessary to persuade the volunteers to lend their time, energies and financial contribution.

6. Hockey and Figure Skating were established and rooted in the provincial recreation structure before provincial government financial support was available. There is no doubt, however, that the support of the Division has been important in upgrading the quality of these two skating activities: for example, the financial and organizational support provided directly and indirectly by the Division for coaching, training and administration has been an important element in improving the quality of these sports and extending the scale of public participation in them.

   The financial support of the Division has also been a significant element in upgrading the skills of the participants and in facilitating their rise up the ladder of proficiency. It is interesting to speculate, for example, on the extent to which Division contributions to these two sports have succeeded in maintaining or increasing the number of Ontario hockey players and figure skaters in the various national and international organizations and what the economic implications of this might be.

7. There is persuasive evidence that the financial and non-financial contributions of the Division to Skating activities have had a significant effect in increasing the numbers of spectators attending these activities. Given the typical level of expenditures by spectators at various sport activities, which we estimate at in excess of $64 million, just for Skating sports, this represents a not insignificant economic impact.

8. Apart from the funding which it provides directly to various skating activities, the Division also makes a major contribution indirectly through the provision of funds to municipalities for the construction and operation of skating facilities and for the implementation of programs. The Division's contribution to capital projects for Skating averages about 20%, with smaller municipalities receiving up to 35% of their costs from the Division and the regional and larger municipalities receiving on average about 11% of their capital costs. The extent of the Division's contribution to these capital projects suggests strongly that a number of such projects would not have been completed, particularly in the smaller municipalities, without this contribution and, consequently, the economic impacts of the various Skating activities would have been reduced.

The following table sets out our estimates of the economic impacts of the four Skating activities: Division expenditures of some $2.4 million are directly and indirectly related to expenditures in the four skating activities of some $533 million. We should note that, because the data for Hockey and Figure Skating are incomplete, these figures do not represent the full economic impact and, consequently, a straightforward line-by-line comparison of the four activities would be misleading.

Let us assume, for the sake of argument, that Hockey and Figure Skating are not included in this analysis. Our analysis would then look like this:

Total Division Funding for Speed Skating and Ringette: $316,000

Estimated Total Direct Expenditures for Speed Skating and Ringette: $4.1 million

Ratio - 1:13

This is a substantially higher ratio than that of 1:8.60 which we have used as our multiplier for our overall impact analysis, even taking into account the provision for the value of volunteer time. We should also note that our analysis for Skating does not include a multiplier, but only attempts to trace identifiable expenditures associated with the individual skating activities.

We recognize that Ringette and Speed Skating may have unusually high ratios simply because of the nature of these sports and that other activities might have lower ratios, which would bring the overall average down. This brief analysis does suggest, however, that our overall multiplier of $8.60 is on the conservative side.

Ice Skating: Estimated Economic Impact Summary (1982/83)

SPORT	Division Funding to SGB	Other Division Funding	Total* Division Funding	Estimated** Total Direct Expenditures	Division Contribution to Total Direct Expenditures
Speed Skating	$ 68,480	$ 12,776	$ 81,256	$ 500,478	16.2%
Ringette	$ 137,427	$ 97,774	$ 235,201	$ 3,627,980	6.4%
Figure*** Skating	$ 193,442	$ 61,978	$ 255,420	$110,946,255	0.2%
Hockey	$ 741,050	$1,071,457	$1,812,507	$418,324,447****	0.4%
TOTAL	$1,140,399	$1,243,985	$2,384,384	$533,399,160	23.2%

* Includes Division funding to the three Sport Governing Bodies and Hockey Ontario as well as Wintario grants to clubs and associations.

** Represents all identifiable expenditures by Sport Governing Bodies and Hockey Ontario, associations (where applicable), clubs, participants, volunteers and spectators; does not take into account the multiplier effect.

*** Figures for 1981/82.

**** This figure is an underestimate because estimates of club expenditures are not available.

Note: The financial data for all activities, especially figure skating and hockey, are incomplete and therefore do not reflect the full extent of economic impact. This also invalidates a line-by-line comparison among the different ice skating activities.

4.3 SAULT STE. MARIE

The purpose of this Case Study is to identify and analyze the economic impact of Recreation Division expenditures in the City of Sault Ste. Marie over the period 1978-82.

Our findings with respect to quantifiable economic impact are incomplete. Consequently, the figures shown below represent only identifiable economic impacts and under-represent the likely actual economic impact. These figures do not take into account a provincial multiplier effect.

1. This Summary Table below indicates that our 1978-82 Division expenditures of some $3.2 million are associated with identifiable expenditures of at least $15.8 million by the municipality and others.

Sault Ste. Marie: Estimated Economic Impact Summary (1978-82)

Division Program	Capital Expenditures	Division Contribution	Operating Expenditures	Participant & Spectator Expenditures	Total Identifiable Expenditures
Capital Grants	$6,477,246	$2,686,862	$5,054,000	$1,160,250	$12,691,496
Non-Capital Grants	--	437,411	--	--	2,961,036
Program Grants	--	57,309	--	--	127,714
TOTAL	$6,477,246	$3,181,582	$5,054,000	$1,160,250	$15,780,246

The actual economic impact of the Division's $3.2 million expenditure can be calculated in several ways:

- Total identifiable expenditures by the municipality and others of at least $15.8 million.
- The use of the consultant's multiplier of 1:8.60, creating a total economic impact of $27,361,605.
- Calculating the "perceived", as distinct from the actual, value of the Division's contribution. For example, the Division contributed about 50% to the John Rhodes Centre, but the Centre would not have been built without that contribution. Should 100% of the economic impact of the Centre be attributed to the Division, or 50%?

2. Division Contribution

The dollar contribution by the Division to a particular facility or program does not necessarily provide a reliable guide to the actual value of that contribution. We have noted this above with respect to the John Rhodes Centre and below regarding the leadership programs. Support from the Division is often the first and critical element in getting the project or program off the ground and in providing it with the credibility necessary for it to obtain the broader funding and public involvement it requires in order to establish itself and to continue in operation.

We have also come to other findings regarding economic and social importance to which we were not able to attribute any quantitative value within the time and budget available to us. These findings provide a preliminary basis for translating the well-known "quality of life" advantages of the Recreation Division's activities into a framework for policy-making and quantitative analysis. These findings are presented here only insofar as they arise out of the Sault Ste. Marie Case Study.

3. Mental Health

The evidence from Sault Ste. Marie strongly supports our other findings that recreation plays a key role in community life, and personal life, particularly during times of economic recession. The high priority given by the public to recreation activities and programs, and the increasing demand for such programs, indicates the high priority which individuals give to recreation activities - a priority which is supported by municipal politicians and staff.

This is consistent with other findings that recreation activities play an important part in the emotions and mental attitudes of the individual and in establishing and maintaining the social fabric of the community. We have no figures on the effects of recreation programs in Sault Ste. Marie with respect to anxiety states, stress and similar conditions. But, we think it unlikely that an examination of these effects would produce results different in thrust, although reduced in magnitude, than those found in other settings such as the workplace (Background Paper #2).

Given that other provincial ministries are concerned about these matters - especially the Ministry of Health with its emphasis upon mental health and preventive programs - the Ministry of Tourism and Recreation should explore the benefits of various joint programs at the municipal level, in conjunction with the affected municipalities. First priority might be given to those designated at risk because of high levels of sustained unemployment.

4. **Leadership and Community Development**

The leadership training and similar programs supported by the Recreation Division have proved to be an important element in establishing a trained leadership cadre in the community which could then go out and establish, organize and expand the system of community-based agencies to cope with the increasing demands for the the services of these agencies.

The Division invested only several thousand dollars in these programs but, judging by the results and the comments of participants, the cost-effectiveness of this expenditure has been of incalculable importance in terms of protecting and maintaining the social fabric of the community and the integrity of individual lives.

5. **Municipalities**

The funding of the Division plays a critical role in the life of a municipality. It is our impression from our discussions with Sault Ste. Marie public servants that, while they were aware of this importance, they did not have a handle on how to explain or quantify or analyse it. It is not unlikely that other municipalities are in a similar position.

There are two dimensions to this issue. One is developing an increased understanding among municipalities of the economic implications of expenditures in the recreation field. The second dimension is providing the municipalities with a better understanding of how to use economic analyses as one tool for disaggregating "quality of life" into separate, even if related, components which can be analysed and evaluated: for example, the relationship of specific recreation program thrusts to the unemployment situation and particular at-risk target populations.

6. **Tourism**

The detailed estimates on the following pages provide extensive evidence of the importance of recreation facilities and programs in attracting tourists. It would be useful to explore this relationship more comprehensively with respect to its policy and program implications for the Ministry.

The Sault Ste. Marie Case Study provides a rich lode of information and insight into the dynamics of Division funding at the local level, and to the far-reaching effects which that funding can have on the economic situation in the community, its social fabric and the personal mental and physical health status of its residents.

The evidence from Sault Ste. Marie points clearly to the need to consider Division funding and programs within a broad context which involves other Ministries as well as the municipalities.

5.0 LITERATURE REVIEW

5.1 INTRODUCTION

The consultants carried out an extensive search of the literature on subjects pertinent to this study. The search was carried out using the "key word" approach with the assistance of the Sport Information Resource Centre in Ottawa, and we wish to thank SIRC for its assistance. In all, some 70 articles, monographs and other materials were identified as potentially useful, and of these about 60 were available. In addition, the consultants reviewed other material made available to them through the kind offices of the Recreation Division. This material is discussed in detail in Background Paper #2.

The consultants were also able to draw upon the material collected for Mental Health Policy and Planning, Ministry of Health, with respect to employee fitness programs, health and lifestyle promotion programs and employee assistance programs.

5.2 FINDINGS

5.2.1 Economic Impact

In general, the sports and recreation literature does not deal very effectively with the question of assessing the economic impacts on a local or provincial economy of a multi-activity government ministry or agency. A number of studies refer to the importance of developing methodologies to assess such economic impacts, but insofar as the literature does deal with broader economic impacts, it tends to do so in terms of comparative analysis at a detailed level; for example, postulating methodologies to compare the advantages of one type of recreation investment against another, or one type of recreation facility against another.

This literature review leads us to several conclusions. The first is that there is little evidence that work is being carried out to estimate the economic impacts of a multi-activity ministry or agency upon a local, regional or national economy. Such work as is being carried out tends to deal with one specific aspect of recreation or with assessing the comparative advantages of alternative investments in recreation facilities or programs.

Consequently, so far as we can ascertain, the analysis carried out by ourselves with respect to the Recreation Division is the most comprehensive and detailed study of its kind available.

5.2.2 Fitness and Health

Literature is more abundant, and more persuasive, in the areas of sport, physical fitness, improved health and attendant benefits such as reduced medical expenses, improved work performance, economic value to the community and enhanced personal satisfaction and sense of well being. There are clearly links or correlations between certain types of recreation (particularly those involving strenuous physical activity) and improved health and work performance.

The literature is entirely persuasive that increased physical activity leads to increased physical capability as measured by such standard indicators as stronger heart muscles, increased oxygen flow to the brain, increased flexibility. The evidence also strongly suggests a statistical relationship between improved physical capability and a decrease in some physical disabilities such as coronary incidents. Conversely, the effects of being sedentary are perhaps not as important as the risk factors associated with such conditions as cigarette smoking, obesity and high blood pressure. There are, however, also strong indications that increases in levels of recreational activity involving physical fitness tend to lead to changes in lifestyle behavior which, in turn, are followed by decreases in the levels of certain risk activities such as cigarette smoking and overeating.

This literature is international and reasonably well known and does not require elaboration, although we deal with it below with respect to employee health and promotion programs in the workplace and it is set out in Background Paper #2.

5.2.3 The Work Place

The evidence with respect to recreation, physical fitness and work performance is most persuasive although there are a number of variables which have to be taken into account. There is considerable field experience demonstrating the value of fitness, recreation and other forms of health promotion programs in the work place. The information suffers from the lack of a rigorous research and evaluation basis. However, these programs are rapidly growing in number across Canada and the United States, and one must assume that the increasing number of companies and organizations initiating and implementing these programs would not be doing so unless they believed they were receiving fair value for money. The following discussion is based in part upon our work for the Recreation Division and, in part, upon a survey of the literature and various organizations carried out for the Ontario Ministry of Health, Mental Health Policy and Planning.

As we note in Background Paper #2, there are three basic types of programs underway:*

- Employee Fitness Programs
- Employee Assistance Programs
- Health and Lifestyle Promotion Programs.

5.2.3.1 Employee Fitness Programs

The basic findings have been discussed above; however, some elaboration may be useful.

The well-known study of Canada Life employees indicated substantial economic benefits flowing from the implementation of an employee fitness program. The study found that absenteeism among 'high adherence' program participants decreased 22% over the study period. Assuming all Canada Life employees had participated in the program as high adherents the savings to the company in absenteeism would have been $175,000 for one year - assuming an average daily salary of $50.

Similarly, among program participants the job turnover rate was reduced from an average of 15% to 1.5%. Assuming these rates were applied to all employees, the savings to Canada Life in terms of hiring and training new staff would have been approximately $510,000.

It is significant that, with 50% of all employees enrolled in some form of fitness program, Canada Life did not suffer any decrease in productivity.

An in-house study conducted by Ontario Hydro on the four-month pilot project for their Employee Fitness Motivation Program also showed positive results. Out of 1,200 employees who registered for the program (representing between 20% and 25% of the head office population), 140 were randomly selected for the pilot project. These employees were given a medical screening, a fitness test, 17 weeks of the exercise program, another fitness test and a questionnaire.

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* The following discussion summarizes Background Paper #2.

The measures of the fitness testing indicated the following results for the average participant finishing the program: lost 4.28 pounds of fat (2.6% decrease in fat percent); increased his/her cardiovascular fitness (maximum oxygen consumption) 26.4%; decreased his/her systolic blood pressure 9.3%; decreased his/her diastolic blood pressure 4.1%; decreased his/her cholesterol level 16.8%; could do 51.7% more sit-ups; and decreased his/her estimated risk of heart attack over 5 years by 36.5% and over 20 years by 33.4%.

Program participants rated the degree of change they felt in various areas as a result of the fitness program, using a scale of 1 to 8 with 1 representing no change and 8 very much change. According to this self-reporting, 89.6% said their self-confidence had increased (mean score 4.3); 93.8% said they had an improved self-image (M.S. 4.7); 91.7% said they experienced less stress and tension and were more relaxed (M.S. 4.5); 88.5% indicated a greater ability to cope with stressful situations (M.S. 3.9); 83.3% said they developed a more positive attitude and greater enthusiasm toward their work (M.S. 3.6); 76% reported an increased level of job satisfaction (M.S. 3.2); 84% felt an improved work performance (M.S. 3.8); and 75% said they experienced more adequate sleep and rest (M.S. 3.7).

Since heart and circulatory-related deaths represent 44.6% of all deaths at Ontario Hydro, the expansion of the fitness program to include more employees could have a significant effect on cardiovascular-related deaths. In addition, the results of the program showed that it could have a significant impact on days lost due to circulatory illnesses, which represented 20% of all lost days due to illness at Ontario Hydro in 1978.

What is also significant is the high ratings which the respondents accord the fitness programs in terms of mental health and well being. The Ontario Hydro study is just one of many similar examples. The results of such effects can be measured by such surrogate indicators as absenteeism, job turnover and sick leave. We have referred to these in the Canada Life study and the evidence suggests, that other programs in other companies have similar results.

Looking at the studies overall, it seems reasonable to draw the following conclusions about employee recreation and fitness programs:

- The introduction of employee fitness programs leads to improved levels of fitness amongst those employees who participate, particularly those who participate at a high adherence level.
- The introduction of these programs is often associated with increased work performance, reduced absenteeism, reductions in sick leave and reductions in employee turnover.
- There also appears to be a strong correlation, at least in some work sites, between the introduction of these programs and increased employee morale, satisfaction and enhanced sense of personal well being.
- Conversely, there is no indication that the introduction of these programs leads to any decreases in productivity or to increases in absenteeism, sickness, employee turnover and similar conditions.

The usefulness of employee fitness programs, and their effects upon mental as well as physical health, and upon work performance, suggests that the Recreation Division should discuss with the Ministry of Health and the Ministry of Labour the possible roles of such programs within the fields of responsibilities of these two ministries. We note, in particular, the potential value of such programs with respect to preventive mental health services.

Organizational size does not appear to be a major consideration. We understand from the Fitness Services Unit, Recreation Division, that they are often contacted by small companies, ten employees and less, seeking advice on the implementation of such programs. This seems to be a fertile field for the implementation of a marketing program directed to targetted organizations for the initiation of such fitness programs.

5.2.3.2 Employee Assistance Programs

Employee Assistance Programs (EAPs) are not properly a subject for this report. We include a brief mention of these programs to provide a framework for our discussion of the more comprehensive health and lifestyle promotion programs.

EAPs are essentially counselling programs directed towards the individual employee. EAPs began as alcohol counselling programs and have, over the past decade, expanded their role in many companies to cover a wide range of mental health requirements.

EAPs are still very much in their formative stages in Ontario and the number of companies involved in such programs is difficult to ascertain. A 1975 study by researchers at the Addiction Research Foundation found that about 350 Ontario organizations used some form of "ultradisciplinary" practice with problem employees; the practice is ultradisciplinary in that the employee has the choice of participating in an EAP or undergoing some form of discipline such as termination of employment. One indicator of the growth of EAPs in Ontario and, in fact, across Canada is the growing number of consultants in the field and the formation of an EAP association.

We have discerned five basic models for the delivery of these programs and we note them because of their potential applicability to some of the programs of the Recreation Division:

1. In-house Administration. All training and educational aspects of the program are carried out in-house by company or organization employees; however, all (or most) counselling is carried out off site. Ontario Hydro's program is an example of this model.

   Hydro's Manager of Health Services is reluctant to use sick leave absence as a measure of EAP effectiveness because the greatest successes tend to be seen in situations where employee morale was horrendous prior to the program. He did, however, put together some data that indicate potential economic benefits to Hydro from increased intervention in employees' emotional problems.

   He estimated that, in 1981, the total corporate cost of sickness absence (in excess of five days' duration) due to emotional illness was $472,562. In addition, based upon experience at Ontario Hydro and other large organizations, he estimated the cost of short-term absenteeism due to the emotional/social component was $5,145,682. Thus, even a reduction of 1% or 2% could result in a savings of approximately $100,000. He also calculated the costs to the corporation of the seven suicides in 1981 and eight in 1980 at a conservative estimate of $200,000 each, including pension and insurance benefits to survivors, new recruitment, replacement training, etc.

In comparison, he costed the EAP at $51,750 for the psychologist's time devoted to emotional/social problems, secretary, space, etc.; $55.96 per employee seen (in lost work time over the average 3.4 visits); and $64,800 to provide for an additional psychologist if the success of the program requires more assessment interviews at head office and throughout the province.

2. **In-House Counselling.** In this model the counselling is carried out by a professional counsellor employed by the organization. Imperial Oil is an example of this model and the EAP Director of Imperial Oil's Toronto Region estimates that the program saved about 1,500 worker-days in one year among the employees served by the program.

3. **Contracted Administration.** Administration is carried out by private practitioners or consultants and, like in-house administrators, they usually see employees only for the purposes of assessment and referral to outside resources.

4. **Contracted Counselling.** A number of outside agencies, such as the Canadian Mental Health Association (CMHA), provide both administrative and counselling services to organizations. The involvement of the CMHA in EAPs is indicative of the increasingly active mandate it is assuming with respect to preventive aspects of mental health services.

   Given the close association between preventive aspects of mental health and the benefits of the fitness programs of the Recreation Division, we think it likely that the Division could have useful discussions with the CMHA.

5. **Consortium.** In this model, a number of organizations band together to establish or retain an EAP service which then delivers services to employees of each of the participating organizations.

It is beyond our Terms of Reference to expand this discussion of EAPs any further. We have taken the discussion this far in order to indicate some of the areas with respect to employee mental health where the interests and activities of the Recreation Division are germane.

5.2.3.3 Health and Lifestyle Programs

These are comprehensive programs encompassing fitness, recreation, employee assistance and other components which the particular organization believes relevant to the needs of its employees. Some of the better known programs in the United States are Johnson and Johnson's LIVE FOR LIFE which serves about 16,000 employees in 22 locations and will soon be available to all 75,000 employees, worldwide.

Another example is Control Data's STAYWELL program. Interestingly, the STAYWELL program makes no reference to an EAP, and the components of the program would be familiar to the Recreation Division with the emphasis upon long-term changes in health behaviour. Specific components include smoking cessation, weight control, fitness behaviour, stress management and nutritional practices. The company's evaluation of the program indicates positive changes among employees in targetted health-related behaviours.

Xerox Corp., which operates a health promotion program, including an EAP, has identified similar results. Xerox's Director of Health Services also notes that one should also take into account the cost-effectiveness of these programs in terms of their effects upon corporate medical, dental and life insurance, disability insurance, and savings and retirement programs.

5.2.3.4 Costs and Benefits

Earlier we cited some of the evidence regarding the cost-benefits of the various types of work place programs. The evidence is by no means complete, especially since a number of companies do not maintain the records necessary for a cost-benefit or cost-effectiveness analysis.

It is, however, possible to gain some sense of the scale of the problems which these work place programs are addressing. We paraphrase from the CMHA's publication, Mental Health and the Workplace: An agenda for the 1980's:

- 15-30% of the workforce is believed to be seriously handicapped by emotional problems at any time.
- 1 of 33 Canadians interviewed by the Canada Health Survey (1981) reported they had experienced a mental or emotional problem, serious enough to restrict their normal competence, as recently as within two weeks prior to the interview.
- Absenteeism cost Canadian industry around $425 million in 1978.
- Absences due to alcohol problems alone cost $1 million a day in 1973.
- Even twenty years ago, psychiatric problems were held responsible for 60% of workplace absenteeism -- today's figure is estimated to be higher yet.
- 65-80% of employees fired from their jobs are dismissed on account of "personal rather than technical factors".
- Much voluntary job turnover is also related to personal dissatisfaction and coping problems.
- It is estimated that fully 80-90% of employee accidents are related to personal problems. Additional information indicates that this commonly used estimate is far too high. Some argue that 40-50% is more accurate.
- A conservative estimate of the drain on Canada's health care system caused by mental and emotional distress would top $1 billion a year (1978).
- Canada's former psychiatric patients are, for the most part, unable to find employment in the open market. Though at least 90% are fully restored, only 10-30% are active at any time in the competitive workplace. This represents a significant loss of economic potential.

It is also instructive to review some of the purported economic benefits of EAPs. Although the Recreation Division is not involved in such programs, it may wish to consider providing add-ons to some EAPs on a test basis. We have not examined the analyses leading to the reported findings. However, we list below the anecdotal evidence of EAP successes which we received from at least two sources.

- Warner-Lambert Canada estimates that the company has avoided costs between $180,000 and $200,000 a year as a result of their EAP: 80% of the savings are due to a reduction in absenteeism, and the other 20% divided between group insurance savings and reduced loss of time as a result of accidents. The company reports a $7-$10 saving for every dollar spent on EAP.

- Illinois Bell reports a 10:1 cost return on their program; and a study rating 10% of their women and 22% of their men as good employees before they received assistance showed an increase to 46% and 58% respectively because of EAP.

- The Philadelphia Police Department claim that sick days were reduced 30% and injury days 62% since the introduction of an EAP.

- ITT World Headquarters in New York report a $6 saving on every dollar spent on their eight-year program, and that as many as 10% of their 130,000 employee staff use their program each year.

- Babcock and Wilcox Canada report cutting absenteeism from an average of 22 days to 12 days (950 employees) with their EAP and reported a saving of $400,000.

5.2.3.5 In Conclusion

Not surprisingly, we find the array of field experience, of which we have cited only a sample, very persuasive. It seems to us entirely reasonable that the Recreation Division with its experience, resources and programs already in place can play an important role in the work place with respect to fitness, physical health, mental health and work performance.

There are opportunities for inter-ministerial co-operation and collaboration, the identification of target populations and the establishment of specific objectives against which program results can be measured. Where these results do occur they are, to some extent, measurable and quantifiable in economic terms. Consequently, a basis does exist for attributing some degree of economic value to the work of Division staff who are involved in facilitating the establishment and/or operation of these workplace programs.

5.2.4 Volunteers

One of the most interesting findings was the importance and economic value of volunteers in the field of recreation. Volunteers provide the bulk of the manpower required for the organization, administration and operations of recreation programs across the province. Very little research has been carried out regarding the economic value of the work of the volunteer. There was, however, a national enquiry of voluntary workers in Canada during the winter of 1979/1980. Using this material, and similar material from the United States and France, a paper was prepared on "Sport and the Voluntary Non-Profit Sector of the Economy" (Dauriac).

This study reports that approximately 2.7 million Canadians participated in some form of volunteer work out of a total population (1980) of 17.9 million persons aged 14 and over: this represents 15.2% of the population aged 14 years and over. This group provided a total of 374 million hours of volunteer work, of which 51.6 million involved sport.

Ontario has the highest proportion of volunteers (36%) to population in Canada and in 1979 volunteers spent some 123.5 million hours in volunteer work. Of that time, some 12.5%, or 15.5 million hours, was devoted to sports activities. Ontario ranks third behind Saskatchewan (27%) and Manitoba (20%) in the proportion of hours devoted to sports.

The more general category of "Leisure", which includes non-sports recreation activities, ranked third in the amount of volunteer hours: Social Welfare (33%), Religious (29%), Leisure (20%), Education (17%), Health (8%), Other (15%).

These figures are of particular importance in two respects. First, they provide a reasonably firm basis for assessing the economic value of the work of volunteers. One has simply to decide what the hourly rate for such work would be if it had to be paid for: the legislated minimum wage rate, the average provincial wage rate, or some other appropriate measure.

Secondly, the comparatively high proportion of volunteer time devoted to sports leads one inevitably to the conclusion that, in the mind of the general population at least, sports are a matter of high personal priority.

The report also found that rates of voluntarism tended to increase with level of education and that the rate of voluntarism also tended to be higher amongst those with higher incomes: "As income declines, there is a gradual dimunition of voluntarism. Nevertheless, all economic, educational and social levels contribute their share, and there is a continual rise in voluntarism, especially in the United States." (Dauriac, 1982)

5.2.5 Other Benefits

In the preceding pages we have summarized an extensive review of the benefits which can be attributed to activities falling under the rubric of recreation. Unfortunately, the literature and field experience tends to concentrate upon the more active and better known forms of recreation, in particular active outdoor recreation, sports and physical fitness activities. We found no studies, however, dealing with the economic implications of less strenuous forms of recreation.

Also, the literature tends to emphasize the benefits of fitness in particular, and general recreation more secondarily, in the working age population in the work environment. Our literature survey did not identify any material directed towards the effects of recreation programs, exclusive of fitness, upon the population generally. For example, we found nothing regarding the effects of such general recreation programs upon the non-working population: the unemployed, mothers and non-school age children, senior citizens, and low income individuals and families unable to afford recreation activities except for those which are publicly supported.

The Sault Ste. Marie Case Study does, however, provide considerable evidence that such programs play a vital role in communities suffering high levels of unemployment. This role seems to be at least as important for the working and enforced leisure population as for the non-employed population.

In this regard, we also have a considerable amount of anecdotal evidence through our work with municipalities that a significant proportion of their recreation resources and programs are directed towards these groups. These groups have few other options open to them and social and related problems might arise were these groups not serviced adequately. Such benefits likely have economic implications.

We also found nothing which dealt with the economic value of services - such as program development, facilitation, leadership training - which support and foster recreation. We touch upon these matters in our Sault Ste. Marie Case Study, but are unable to do more than outline the substantial importance to the community of these services in terms of creating the organizational infrastructure necessary for effective community cohesion. The Division may wish to examine this issue more closely with respect to its economic implications. In our opinion, these services have a demonstrated importance. The attachment of economic values might be helpful for internal purposes but would hardly strike at the nub of this importance.

Almost without exception the literature we reviewed ends with a statement to the effect that much more research is needed with respect to developing improved methods of economic analysis, establishing more precisely the relationship between physical fitness and enhanced economic activity, and similar matters.

6.0 ORGANIZATION OF FUNDING

The consultants interviewed Division management with respect to the organization and allocation of resources and funding and perceived effects of Division programs. The resulting document (Background Paper #4) provides the basis for an on-going organizational review of the activities and resource allocations of the Division and for both short-term and long-term planning.

Several findings are of significance. Community fitness, sport and recreation programs in the province are heavily funded by the Recreation Division. For example, 38% of funds received by the sport governing bodies come directly from the Division, although the actual percentage varies considerably from SGB to SGB.

The format used to fund various programs varies from program to program in order to meet the needs of the programs, providers and regions. Respondents report that this flexibility is necessary in order to accommodate the great diversity of needs in the province, ranging from the more isolated northern populations to the more urban southern populations.

Division funding has several different roles, depending upon the recipient. In some cases, for example Hockey Ontario, funding seems to be directed primarily to paying for support services such as administration, skills upgrading and leadership training. In other instances involving newly formed organizations, Division funding plays a critical role in establishing the organization as credible and, consequently, worthy of municipal, public and volunteer support. In these cases Division funding also provides the essential cushion which enables the newly-formed organization to get itself established and well entrenched in the community.

Generally speaking, Division support is essential for any organization which seeks significant regional and local support. There are exceptions to this: Hockey and Figure Skating come to mind, and there are undoubtedly a number of smaller, and possibly large, organizations across the province which flourish despite the absence of Division funding. We expect, however, that these are in the minority. As we noted above, Division funding is important not simply because of the dollars involved but also because of the credibility which the funding bestows upon the recipient.

In other instances, Division funding acts as a catalyst in the very early stages of organizational development. Examples include the very early support of the Division, through the provision of advice and small grants, to organizational development efforts in Sault Ste. Marie. Although the actual sums of money involved were very small, they were nevertheless essential in getting these community organization efforts off the ground in time to meet the needs of the municipality as unemployment began to present a serious economic and social threat.

Consequently, it is not realistic to make wholesale judgements about the way funding is practised. What one can say, however, is that the Community Programs Branch plays a critical mediating role between the Division and the community systems at the local level. We have to conclude that much of the very substantial success and reputation which the Division has enjoyed over the past years is due in large measure to the effectiveness of its Community Programs staff. The part they have played in the extent of the Division's economic impact is literally incalculable. The importance of the Community Programs Branch in the Division is illustrated by the fact that it does not have its own manager but operates directly under the Assistant Deputy Minister.

The results of our survey suggest that not all program managers and staff are aware of the economic implications of their programs. They are plainly aware that Division funding is essential to a number of recreation activities, and that substantial decreases in or termination of funding to these activities would likely mean the end of these activities - in any organized form - in the province. A number of personnel, however, do not appear to have considered the full range of economic implications of various funding programs until this study was undertaken.

Some Division branches have a reasonably good fix on the number of clients or users that benefit from their programs. Others are less certain, in part because their program effects are often quickly diffused throughout the community. Leadership training is one example of this.

The Division is shifting back towards a "user pay" model in all its direct program offerings. The intention is to foster a greater sense of responsibility and involvement among program users and to provide them with an increased incentive to make use of the services because they have had to pay for them.

As we note elsewhere in this report, the activities of the Division can be characterized as a "seamless web" (to borrow a literary term) because the various branches tend to act on the same publics simultaneously. It is, therefore, difficult to ascertain where the program effects of one Branch end and the effects of the other Branches begin.

It is beyond our Terms of Reference to comment on the relationship between this seamlessness and the organization of the Division. Even so, we expect that our findings set out in Background Paper #4 can be useful to management, particularly if these findings are up-dated on a yearly or regular basis with respect to:

- New-staff orientation
- Staff orientation on changes in the Division
- Budget review
- Data bank for short-range and long-range planning
- Orientation of elected officials and civil servants unfamiliar with the operations of the Division
- Evaluation and organizational review.

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1.0 INTRODUCTION

The search was carried out using the "key word" approach with the assistance of the Sport Information Resource Centre in Ottawa and we wish to thank SIRC for its assistance. In all, some 70 articles, monographs and other material were identified as potentially useful, and of these about 60 were available. The consultants also reviewed other material made available to them through the kind offices of the Recreation Division. We wish to acknowledge the co-operation of Dr. Gilbert Heseltine, Executive Co-ordinator, in allowing us to use this material in our work for the Recreation Division.

This Background Paper deals with three major types of programs in the workplace:

1. Physical Fitness Programs
2. Employee Assistance Programs
3. Health and Lifestyle Programs

The Paper consists of a literature review as well as interviews, conducted by Earl Berger Limited, with selected program providers. The interviews provide valuable information on program approaches, models and specifics. Both the Physical Fitness and the Health and Lifestyle sections have considerable relevance to the Recreation Division. We have included the section on Employee Assistance Programs (EAP) because of its relevance to comprehensive lifestyle programs in the workplace.

The following is a brief summary of our findings.

2.0 EXECUTIVE SUMMARY

Impact on the Economy

In general, the literature we reviewed does not deal very effectively with the question of assessing the economic impacts on a local or provincial economy of a multi-activity government ministry or agency. A number of studies refer to the importance of developing methodologies to assess such economic impacts, but insofar as the literature does deal with broader economic impacts, it tends to do so in terms of comparative analysis at a detailed level: for example, postulating methodologies to compare the advantages of one type of recreation investment against another, or one type of recreation facility against another.

Physical and Mental Health

Literature is more abundant, and more persuasive, in the area of sport, physical fitness, improved health and attendant benefits such as reduced medical expenses, improved work performance, economic value to the community and enhanced personal satisfaction and sense of well-being. In general, the literature tends to concentrate upon the more active and better known forms of recreation, in particular active outdoor recreation, sports and physical fitness activities. We found no studies dealing with the economic implications of less strenuous forms of recreation.

Also, the literature tends to emphasize the benefits of fitness in particular, and general recreation more secondarily, in the working age population in the work environment. Our literature survey did not identify any material directed towards the effects of recreation programs, exclusive of fitness, upon the population generally. For example, it would be important to determine the effects of such general recreation programs upon the non-working population: the unemployed, mothers and non-school age children, senior citizens, children and low income individuals and families unable to afford recreation activities except for those which are publicly supported.

We have a considerable amount of anecdotal evidence through our work with municipalities, especially in our work on the Sault Ste. Marie Case Study, that a significant proportion of their recreation resources and programs are directed towards these groups (in part, at least), because these groups have few other options open to them and because of the social and related problems which might arise were these groups not serviced adequately. Such benefits would likely have economic implications. Our literature search did not identify any material dealing with this subject. Even so, these opinions of municipal officials, given their experience and their close involvement in the day-to-day life of their communities, must be treated as valid - at least until credible evidence to the contrary is available.

We also found nothing which dealt with the economic value of services - such as program development, facilitation, leadership training - which support and foster recreation.

Almost without exception the literature we reviewed ends with a statement to the effect that much more research is needed with respect to developing improved methods of economic analysis, establishing more precisely the relationship between physical fitness and enhanced economic activity, and similar matters.

3.0 ECONOMIC IMPACT ANALYSIS

Economic impact analysis in recreation covers two dimensions. The first deals with the broader issue of the economic impact of recreation and related facilities, programs and activities upon the national or local economy. The second dimension covers the more specific question of the effects of recreation, particularly physical fitness, upon health, productivity and social benefits.

Clearly, the two dimensions are related; if physical fitness leads to increased productivity and/or reduced absenteeism, then there is a benefit to the national or to the local economy. For the purposes of this discussion, however, we keep the two dimensions separate.

3.1 NATIONAL AND LOCAL ECONOMIC IMPACT

There is not a substantial body of literature dealing with the topic of our study: estimating the economic impact of multi-activity recreation Ministry upon the local or national economy.

Generally speaking, most of the studies we reviewed with respect to broad economic impact tended to concentrate on the application of various techniques of comparative analysis, cost-benefit analysis, demand assessment, with respect to areas of concern which are more narrow than ours.

For example, a study based in Prince Edward Island (Whiting and Miller) describes two methods of evaluating programs within the recreation/tourism sector of the provincial economy:

- The cardinal evaluation system, requiring the quantification of costs and benefits (usually in dollar terms); and
- The ordinal evaluation system, which involves public input in developing overall values which are then used by technical administrators in arriving at program values and priorities.

We have used the ordinal evaluation system, and similar methods, extensively in Ontario in connection with transportation planning. However, in these studies, the project itself - for example, a new highway, a new transit system, expanded airport activity - was taken as given and the "program values and priorities" were used primarily to select between different implementation options. Where an economic value was attached to the project itself, an implicit distinction was usually made between those values which could be quantified neutrally (reduced mileage, reduced pollution, savings in time) and those for which there was an implicit reluctance to quantify (reduction in personal injuries by re-routing highways around built-up areas).

Although this methodology has considerable value with respect to the weighing of various options, it has only limited usefulness in the development of an economic model for assessing the overall economic impact of the activities of a Ministry.

There are a number of other studies which follow in this same vein of cost-benefit analysis for the purposes of measuring the value of different options (Countryside Commission; Gibson; Meserow, Pompel and Reich; Allton).

One study (Smith) does address the question of comparing the value of government investments in recreation projects with other investments in the economy but only by the private sector; there is no comparison of alternative government investments. The author's conclusion is that no single criterion will give a correct answer in all cases, given that private firms measure benefits in terms of financial return while the public sector must take into account benefits and returns other than those which are simply financial. In particular, the author notes the importance of the "consumer surplus" approach to measuring benefits: benefits to the consumers over and above their actual expenditure for the product or service. The author notes, however, that where the consumer surplus approach is used, it is also important to include the concomitant producer-surplus elements.

This approach is supported by an extensive review of the literature (Vance and Binkley) where the authors review six alternative approaches for determining the value of recreation:

1. Gross expenditure
2. Market value (in this case, fish)
3. Income multiplier
4. Property values
5. Willingness-to-pay interviews
6. Demand functions.

The authors conclude that the consumer-surplus approach, based upon estimates from demand functions or willingness-to-pay interviews, is the only conceptually sound measure of recreation benefits.

For our purposes, the consumer-surplus approach is valuable as a concept, and we have already incorporated it into our prototype model, in which we recognize, for example, that recreational activities may lead to reductions in such anti-social and costly activities as vandalism. The implication here is that the reductions in vandalism, if such occur, represent an economic benefit to the community in addition to the expenditure of the consumer for the use of a particular recreation activity or program.

One study (Webster and Reich) argues that communities often budget recreation and park services on the basis of past cost-accounting records, with little concern for the evaluation of returns for dollars invested. The result is that obsolete, low-return programs continue to absorb limited budget and manpower resources, while new programs which may provide greater returns are not developed.

The authors of this study state that comparing program to program, or the operation of one facility to another, only in terms of cost efficiency does not take into account all the considerations affecting the value of the particular program or facility in the community. The authors argue that the type of information required for the evaluation of most park and recreation services should include: benefit-cost data (such as user-hours of services rendered per dollar of cost), user-satisfaction data and data on inter-agency co-ordination (the formulation and application of cost sharing and management agreements to foster greater cohesiveness between the private, commercial and government providers of recreation opportunities).

Another study (Dwyer and Bowes) establishes a methodology appropriate for estimating recreation benefits in forest resources management. This study cites the maximum willingness of users to pay as the most appropriate way to measure gains and benefits. In this study, willingness to pay is reckoned by actual demand behavior: the willingness of the consumer to travel to the site, to pay the costs of that travel, and also to pay the user or entry fee at the site. The authors also recommend the use of the survey-based method, although they recognize that actual demand behavior (i.e., what people actually do) is a more reliable guide than what people say they will do (i.e., survey-based methods).

Some of the work done by the Recreation Division itself is suggestive. For example, in its report, "Evaluation of the Thunder Bay Community Fitness Campaign", the Ministry notes the following:

- More than $56,000 was raised privately and this amount was matched by a Wintario grant.
- The first Brampton-Thunder Bay Challenge involved more than 22,000 residents in Thunder Bay alone. (There is no reference to the involvement of Brampton residents.)
- The second Brampton-Thunder Bay Challenge recorded the participation of more than 35,000 Thunder Bay residents. (Again, there is no reference to the involvement of Brampton residents.)
- The Thunder Bay Community Fitness Campaign also led to the development of new employee fitness programs and the establishment of bicycle paths.

- The Campaign was also reported to have a significant effect upon the ski industry in Thunder Bay.
- The program attracted a large number of volunteers.

It would appear that the Campaign had a significant effect upon the Thunder Bay economy, as well as that of Brampton. It would be useful if the data collected concerning the Campaign were analyzed to generate an estimate of its economic value.

The authors of all the studies cited above, as well as those of other studies not mentioned herein, all agree that more research needs to be done.

3.2 RECREATION AND BEHAVIOR

Some significant work in this field has been done which is germane, either directly or indirectly, to our work. By its very nature, research pertaining to the economic and related benefits of various types of human behavior and conditions (e.g., physical activity leading to improved fitness) must be empirical, detailed and well formulated if it is to be persuasive.

There is a considerable amount of material available from Canada, the United States, Russia and elsewhere which meets these criteria. Some of these studies are based upon direct physical observation and testing and directed towards quantifiable results in economic terms. Other studies rely on statistical analysis of larger populations, with less emphasis placed upon the economic implications of the findings.

A recent study (Wagner and Washington) has shown that recreation expenditures in the United States have consumed an increasing proportion of growing personal budgets, even after the effects of inflation are taken into account. Even though real expenditures in all categories - for example transportion, food, housing - also increased, expenditures for recreation increased faster.*

The authors of this study anticipate that these trends will continue for the next two decades, although they caution that intensified inflation may lead to trade-offs in which recreation expenditures could be reduced as overall personal consumption expenditures are adjusted to compensate for inflation.

While this indicates a growing market for recreation, there is also some evidence that there is a shift from recreation activities that are time intensive to those that are goods intensive (Hicks and Londeree). Because goods are generally labour saving, exercise levels tend to fall; pure leisure - for example,

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*** One analysis estimates that in 1977 leisure time activities consumed about 7% of total personal income in the United States (U.S. Department of Commerce).**

contemplation and personal maintenance - also fall. The result is that the health stock of the individual is reduced and medical care is used more intensively in order to counteract the harmful effects of decreased activity and decreased personal maintenance.

Hicks and Londeree also report that recent studies have shown that health is no longer positively correlated within the most developed countries and that medical care is limited in its role as a substitute for exercise and personal maintenance. The authors suggest that the resulting lower level of health is chosen consciously but that this choice can be modified by making those recreational activities that are health inducing more readily available. These suggestions are substantiated, according to the authors, by research which indicates that increases in appropriate physical activities lead to significant decreases in the demand for medical and health-related services. A number of other reports and studies, of greater or lesser specificity, come to similar conclusions (for example, Walz, Metivier, Willie).

Not all the research, however, supports the contention that increases in appropriate physical activities lead to significant decreases in the demand for medical and health-related services. For example, the Framingham Study (Kannel and Sorlie) measured the physical activity of 1,909 men and 2,311 women over a period of 11 years, based on the subjects' recall of daily activity rather than on a standard measure of fitness. The authors found little correlation between physical activity level and the level of major risk factors. The study did find, however, that overall mortality and mortality due to cardiovascular and ischemic heart disease were inversely related to the level of physical activity for men, but the effects were negligible for women. The study also found that the health effects of being sedentary are modest compared to other risk factors such as cigarette smoking, obesity and high blood pressure, although these effects persist when other factors are taken into account.

Similarly, a study, carried out in Norway (Fasting), reviewed the literature with respect to physical activity, work absenteeism and illness, and the author carried out his own study. The author's conclusion was that there did not seem to be a strong connection between levels of physical activity carried out during leisure time and certain illnesses. A Canadian study (Howard and Mikalachki) found that, contrary to expectations and research, an evaluation of an employee fitness program initiated by a Canadian corporation did not support the view that exercise and fitness ultimately lead to increased productivity.

Another study (Stallings and O'Rourke) tested the proposition that exercise programs result in increased mental ability, creativity and surplus energy. A study was carried out amongst academics in which their yearly caloric expenditures were related to academic performance, course evaluation and teaching effectiveness. The study concluded that there was no such correlation, but that caloric expenditure was positively related to favorable attitudes towards physical exercise.

Most studies in this field, however, have come to different conclusions. One (Carter and Wanzel) dealt with the results of two longitudinal studies involving employees of a U.S. company and 100 randomly selected employees in Canada. The authors, both doctors, found that employee recreation programs and facilities led to significant positive effects in terms of employee fitness and productivity, as well as employee attitudes. The authors' conclusions were that the employee recreation programs under review led to the following results among participants: stronger heart muscles, increased oxygen flow to the brain, higher aggravation tolerance levels, increased productivity, greater assertiveness, and reduced turnover and absenteeism.

A study of the Dallas Police Force (Byrd) found that a six-month exercise program showed a positive relationship existed between physical fitness and performance, leading to an increase in street performance and a substantial drop in the sick-day average. A similar but more limited study carried out in Ontario (Danielson and Danielson) also found a strong correlation between physical fitness and productivity. For example, those in the fitness program had a higher cardiovascular fitness score than those who were not in the program.

Another study (Groves and DeCarlo) involving a U.S. company examined the relationships between an employee recreation program, job satisfaction and productivity. The 150 participants were divided into two groups - experimental and control - and the results suggest that recreation in the industrial setting makes a significant impact on job satisfaction and productivity. The authors measured the increase in productivity for the experimental group as ranging between 15% and 25%. The authors also found that the loss of recreation opportunities may result in a productivity decrease in the range of 25% to 35%.

A great deal of work has been carried out in Russia in this area. One study (Pravosudov) reviewed a number of other studies done in Russia to demonstrate the positive effects of physical exercise on physical development, reduced susceptibility to catarrhal diseases, duration of illness, mental labour productivity, working capacity and creative activity. This review found that physical activity programs were shown to decrease sick leave losses by three to five days per worker/year, and that those workers taking part in such programs consulted doctors 25% less than those workers who did not participate. Other Russian studies support these conclusions (Kmuzov; Dodov, Ploshtakov, Patcharazov and Nikolova).

Studies in Canada tend to show similar results supporting the connection between recreation activities, physical fitness, work performance and improved health or reduced illness. One well-known study involved employees at the Canada Life Assurance Company as the experimental group and at the North American Life Assurance Company as the control group (Peepre, December 1980). Various fitness programs were instituted at Canada Life and close to 50% of all company employees (or about 1,200 persons) participated in one or more of these programs. It is interesting to note that two years after the research program ended, more than 40% of the Canada Life employees still participated in some phase of the total fitness program which has continued.

Both the experimental and control populations received physiological tests at three points over a period of ten months and the company supplied data with respect to absenteeism, work output ratings, employee turnover and related information.

Prior to the implementation of the program, all subjects received a physiological test and there was no difference in the fitness profiles of the subjects. At the end of the six-month fitness program, the experimental group demonstrated significant positive results in several measures of physical fitness, including cardiorespiratory fitness, reduction in percent of body fat and increase in flexibility.

Furthermore, within the experimental group the "high adherence" group showed a net decline in absenteeism of 22% over the study period, taking into account seasonal variations. Male participants in the fitness program showed the most improvement with respect to absenteeism, but there were also substantial decreases in absenteeism amongst female workers in the experimental group. The presentation of the statistics in the study does not allow us to examine them in any detail and it would appear that the author, in estimating the economic implications of such reductions, has not accounted for seasonal variations. With this caveat, we note that the author calculates that a 42% decline in absenteeism(2) represents 2.5 days per year per employee.

In a company of 1,400 employees, for example Canada Life, this would amount to 3,500 less days absent and, at an average daily salary of $50.00, the potential direct salary savings would be $175,000.

The author also calculated the effect of the fitness programs upon employee turnover and found that fitness program participants showed a turnover rate of only 1.5%, compared to a 15% turnover amongst other company employees in

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2 The "high adherence" group of regular exercisers showed a 42% decline in absenteeism during the study period compared to the selected pre-intervention period. However, the author notes that the selected pre-intervention period, December 1977, was characterized by a flu epidemic in Toronto which led to an usually high rate of absenteeism during that period. Accordingly, the author suggests that the 42% decline in absenteeism amongst the "high adherence" group really represents a net 22% decline in absenteeism from the average for the rest of the employees in the company. The author does not, however, base the economic benefits of the program upon this 22% net decline but, instead, uses the 42% figure as her base.

the same time period. Assuming that the average cost to Canada Life of hiring and training new clerical/secretarial/management staff to be $6,250 per employee, if the turnover rate for the company as a whole was reduced from 15% to 1.5%, the annual savings to the company would be approximately $510,000. These savings are clearly substantial in comparison with the costs of carrying out the fitness programs. The reviewer does note, however, that the types of individuals attracted to fitness programs may be different from other non-participating workers. Nonetheless, she also notes that the experience of many European and Japanese companies is that those firms offering employee fitness and recreation programs usually are characterized by higher degrees of work performance, loyalty and morale which normally leads to a lower turnover rate.

Peepre also looked at the question of productivity and found that those departments in the company in which an average of 20% of the workers participated in the fitness programs had no turnover rate and also an average increase of 31.3% in productivity. Other departments in the company which had an average participation rate of 25% (based on a range of 0% to 50% participation) had some employee turnover but showed only a minimal average increase in productivity of 3.4%.

The author does note that the productivity measures used at Canada Life varied in accuracy between the different types of departments and, in some cases, were based upon subjective assessments of individual employees by the supervisors. She also notes that the productivity levels of the experimental company were initially very high and consequently did not leave much room for improvement regardless of the type of intervention used. The author also finds that, even with close to 50% of all employees involved in fitness classes, seminars, etc., Canada Life did not have any decrease in productivity and argues that this helps to negate a common argument of senior management that fitness programs will interfere with work and concentration.

By way of comparison, the 30 departments at North American Life, the control company, provided complete productivity measures and the average increase in productivity over the study period was 4.3%. Peepre thus argues that there was no significant difference between the two companies with respect to productivity measures.

Job satisfaction was also measured using the Job Description Index and the results showed no significant differences between the various groups of participants and non-participants in the experimental group. Morale was also measured using a questionnaire among program participants only. Consequently, there are no comparative results, but the author thinks it worth noting that 47% of fitness program participants reported that they were more alert, had better rapport with co-workers and supervisors, and generally enjoyed their work more since starting the program. In addition, 63% of the program participants indicated that they felt more relaxed, patient and less tired during the day. Participants also showed an increase in their positive attitudes towards physical activity as a means of improving health and fitness.

Employees were asked to record their visits to the Occupational Health Unit of their company over the period of the study. The results showed that both male and female "high adherence" participants tended to have fewer visits to the nurses and the doctors. The differences are particularly noticeable amongst the women: the female "control" group reported an average of 0.4 visits per person to medical personnel compared to 0.1 visits per person for the "high adherence" females in the experimental group.

Overall, the results of this study are particularly persuasive because of the amount of detailed testing and analysis carried out. There are several other Canadian studies which reach supporting conclusions of a more limited nature. For example, a study carried out at Peoples Jewellers (Erwin) reported a 23% fall in absenteeism following the implementation of an employee recreation program. Other studies (Megalli, and Kelly, and Mednick) estimated that if all adults in Ontario between the ages of 20 and 69 had at least average physical fitness, the savings to OHIP would be approximately $31 million per year, including an estimated reduction of $13 million per year in the expected costs for coronary heart disease if all those persons aged 35 to 64 years were of at least average physical fitness.

3.3 COMMENTS

This literature review leads us to several conclusions. The first is that there is little evidence that work is being carried out to estimate the economic impacts of a multi-activity ministry or government agency upon a local, regional or national economy. Such work as is being carried out tends to deal with one specific aspect of recreation or with assessing the comparative advantages of alternative investments in recreation facilities or programs.

The second conclusion is that there are clearly links or correlations between certain types of recreation (particularly those involving strenuous physical activity) and improved health and work performance. The relationships, however, are not consistently clear.

The literature is entirely persuasive that increased physical activity leads to increased physical capability as measured by such standard indicators as stronger heart muscles, increased oxygen flow to the brain, increased flexibility. The evidence also strongly suggests a statistical relationship between improved physical capability and a decrease in some physical disabilities such as coronary incidents. Conversely, the effects of being sedentary are perhaps not as important as the risk factors associated with such conditions as cigarette smoking, obesity and high blood pressure. There are also strong indications that increases in levels of recreational activity involving physical fitness tend to lead to changes in lifestyle behavior which, in turn, are followed by decreases in the levels of certain risk factors such as cigarette smoking and overeating.

Looking at this evidence purely from the perspective of scientific enquiry, we would agree with the argument that it is not yet definitive. The evidence is, however, very persuasive insofar as it supports the view that appropriate levels of physical activity are good for us in many ways. Clearly, from the perspective of public policy, the available evidence is overwhelmingly on the side of those who argue that it is better to encourage appropriate levels of physical activity amongst the general population than to ignore the issue or to discourage such activities.

The evidence with respect to recreation, physical fitness and work performance is also persuasive although there are a number of variables which have to be taken into account. It is, for example, not clear whether employee fitness programs lead to improved physical fitness which in turn leads to increased or improved work performance and attendance at work, or whether the fitness programs themselves are so enjoyable that workers like their place of work better and work harder than they would if there were no employee fitness/recreation programs available, or whether those who participate in such programs tend to be those who will benefit the most. The literature we have reviewed above is not clear in this regard.

Looking at the studies overall, it does seem fair, however, to draw the following conclusions about employee recreation and fitness programs. The introduction of these programs is often associated with increased work performance, reduced absenteeism, reductions in sick leave and reductions in employee turnover. There also appears to be a strong correlation, at least in some work sites, between the introduction of these programs and increased employee morale, satisfaction and enhanced sense of personal well being. Conversely, there is no indication that the introduction of these programs leads to any decreases in productivity or increases in absenteeism, sickness, employee turnover and similar conditions.

The only causal relationship which appears incontestable is that the introduction of employee fitness programs leads to improved levels of fitness amongst those employees who participate, particularly those who participate at a high adherence level. With respect to the other assumed benefits - for example, reductions in absenteeism and turnover, improved work performance - the degree of causality is less certain; nonetheless, the evidence does suggest strongly that where such employee programs are in place one or more of these benefits is also likely to occur.

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Where these benefits do occur they are, to some extent, measurable and quantifiable in economic terms. Consequently, a basis exists for attributing some degree of economic value to the work of Ministry staff who are involved in facilitating the establishment of these employee recreation/fitness programs.

4.0 VOLUNTEERS

Volunteers provide the bulk of the manpower required for the organization, administration and operations of recreation programs across the province. Very little research has been carried out regarding the economic value of the work of the volunteer. There was, however, a national enquiry of voluntary workers in Canada during the winter of 1979/1980. Using this material, and similar material from the United States and France, a paper was prepared on "Sport and the Voluntary Non-Profit Sector of the Economy" (Dauriac).

This study reports that approximately 2.7 million Canadians participated in some form of volunteer work out of a total population (1980) of 17.9 million persons aged 14 and over: this represents 15.2% of the population aged 14 years and over. This group provided a total of 374 million hours of volunteer work of which 51.6 million involved sport.

Ontario has the highest proportion (36%) of volunteers to population in the country. Ontario volunteers in 1979 spent approximately 123.5 million hours in volunteer work. Approximately 12.5% of that time, or some 15.5 million hours, was spent on sports. Ontario ranks third behind Saskatchewan and Manitoba in the proportion of volunteer hours dedicated to sports.

These figures are of particular importance in two respects. First, they provide a reasonably firm basis for assessing the economic value of the work of volunteers. One has simply to decide what the hourly rate for such work would be if it had to be paid for: the legislated minimum wage rate, the average provincial wage rate, or some other appropriate measure.

Secondly, these figures lead one inevitably to the conclusion that, in the mind of the volunteer population at least, sports is a matter of high personal priority. It is also important to note that the general category "Leisure", which includes non-sports recreation activities, received 20% of the total volunteer hours spent in 1979. Leisure ranked third behind Social Welfare (33%) and Religious (29%).

Dauriac also found that rates of voluntarism tended to increase with level of education and that the rate of voluntarism also tended to be higher amongst those with higher incomes: "As income declines, there is a gradual diminution of voluntarism. Nevertheless, all economic, educational and social levels contribute their share, and there is a continual rise in voluntarism, specially in the United States."

APPENDIX I

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BIBLIOGRAPHY*

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October 1983

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1.0 SUMMARY OF FINDINGS AND CONCLUSIONS

The following is a summary of our findings with respect to the Skating Case Study. These findings are based upon available data for Speed Skating, Ringette, Figure Skating and Hockey.

In the interest of simplicity, we have categorized Wintario Grants as part of the funding provided by the Recreation Division.

For the purpose of this Skating Case Study, "economic impact" is described in terms of "total direct expenditures" which involve all the expenditures by the various groups and individuals associated with the particular skating activity. The multiplier effect is not included.

Our analysis substantially underestimates the economic impact of the Division's contribution to Skating for several reasons:

1. We have been unable to obtain complete financial and expenditure data, particularly for Figure Skating and Hockey, and, consequently, the figures we provide are incomplete.
2. We have not been able within the limitations of this study to estimate the economic impact of recreational skating nor the Division's contribution to that impact.

Even though our analysis provides only an incomplete estimate of the economic impact of the four skating sports, our findings are sufficiently well based to draw the following conclusions:

1. Skating is a major economic activity in Ontario with an identifiable value of at least $530 million, exclusive of recreational skating. This figure does not take into account the multiplier affect.
2. There is strong evidence that - Ringette and women's hockey are the most clear-cut examples - provincial support in terms of financial contributions, administration, staffing, coaching and training, are important elements in expanding the level of public involvement in skating activities and, consequently, the impact of those activities on the provincial economy.
3. An examination of the details of the expenditures involved with the various skating activities indicates their importance to many sectors of the provincial economy.
4. Volunteers make a major contribution to the economic impact, through both out-of-pocket disbursements and the value of their time.

5. The financial support of the Division is critical in the case of Speed Skating and Ringette. Both activities would, according to their organizers, be operating at a minimal level if it were not for the provincial contribution. However, as the table on page 4 demonstrates, in actual dollars the provincial contribution is minor in comparison to the estimated total direct expenditures which that contribution helps generate.

For example, a provincial contribution of approximately $81,000 to Speed Skating helps generate total direct expenditures of some $500,500; similarly a provincial contribution of $235,000 to Ringette leads to total direct expenditures of almost $3,630,000. It is important to emphasize that comparatively few of these expenditures would have taken place in either skating activity if the Division had not provided its contribution.

This supports our general finding that the Division's financial contribution has a value beyond that which can be expressed in dollars. The examples of Speed Skating and Ringette demonstrate that the Division's financial contribution also provides the affected organizations with the credibility necessary to obtain funding from other sources, some assurance of continued operations upon which long-term financial planning and organization can take place, plus the psychic support necessary to persuade the volunteers to lend their time, energies and financial contributions to the affected activities.

6. The financial support of the Division does not appear to be critical in the case of Hockey and Figure Skating. These activities were established and rooted in the provincial recreation structure before provincial financial support was available. There is no doubt, however, that the support of Division has been important in up-grading the quality of these two skating activities: for example, the financial and organizational support provided directly and indirectly by the Division for coaching, training and administration has been an important element in improving the quality of these sports and extending the scale of public participation in them.

The financial support of the Division has also been a significant element in upgrading the skills of the participants and in facilitating their rise up the ladder of proficiency to the point where increasing numbers of them are now participating at a professional and semi-professional level. It is interesting to speculate, for example, on the extent to which provincial contributions to these two sports have succeeded in maintaining or increasing the number of Ontario hockey players and figure skaters in the various national and international organizations and what the economic implications of this might be.

7. There is persuasive evidence that the financial and non-financial contributions of the Division to Skating activities have had a significant effect in increasing the numbers of spectators attending these activities. Given the typical level of expenditures by spectators at various sport activities - $64 million for Skating alone - this represents a not insignificant economic impact.

8. Apart from the funding which it provides directly to various skating activities, the Division also makes a major contribution indirectly through the provision of funds to municipalities for the construction and operation of skating facilities and for the implementation of programs. The Division's contribution to capital projects for Skating averages about 20%, with smaller municipalities receiving up to 35% of their costs from the Division and the regional and larger municipalities receiving on the average about 11% of their capital costs. The extent of the Division's contribution to these capital projects suggests strongly that a number of such projects would not have been completed, particularly in the smaller municipalities, without this contribution and, consequently, the economic impact of the various Skating activities would have been reduced.

   In contrast, the Division contributes, on the average, only about 1.6% of municipal operating costs for recreation. It would be useful to determine how significant this contribution is with respect to the continued operation of these various operations.

The following table sets out our estimates of the economic impact of the four Skating activities. We should note that, because the data for Hockey and Figure Skating are incomplete, these figures do not represent the full economic impact and, consequently, a straightforward line-by-line comparison of the four activities would be misleading.

TABLE 1

ESTIMATED ECONOMIC IMPACT SUMMARY - 1982/83

SPORT	Division Funding to SGB	Other Division Funding	Total* Division Funding	Estimated** Total Direct Expenditures	Division Contribution to Total Direct Expenditures
Speed Skating	$ 68,480	$ 12,776	$ 81,256	$ 500,478	16.2%
Ringette	$ 137,427	$ 97,774	$ 235,201	$ 3,627,980	6.4%
Figure*** Skating	$ 193,442	$ 61,978	$ 255,420	$110,946,255	0.2%
Hockey	$ 741,050	$1,071,457	$1,812,507	$418,324,447****	0.4%
TOTAL	$1,140,399	$1,243,985	$2,384,384	$533,399,160	23.2%

* Includes Division funding to the three Sport Governing Bodies and Hockey Ontario as well as Wintario grants to clubs and associations.

** Represents all identifiable expenditures by Sport Governing Bodies and Hockey Ontario, associations (where applicable), clubs, participants, volunteers and spectators; does not take into account the multiplier effect.

*** Figures for 1981/82.

**** This figure is an underestimate because estimates of club expenditures are not available.

Note: The financial data for all activities, especially figure skating and hockey, are incomplete and therefore do not reflect the full extent of economic impact. This also invalidates a line-by-line comparison among the different ice skating activities.

2.0 INTRODUCTION

As part of their Terms of Reference, the consultants were requested to prepare two case studies of Recreation Division funding. The selected case studies include Sault Ste. Marie and Skating. This report deals with Skating, specifically:

- Speed Skating
- Ringette
- Figure Skating
- Hockey

It should be noted that the Skating Case Study deals only with Speed Skating, Ringette, Figure Skating and Hockey to the extent that these activities are carried out within the purview of their respective Sport Governing Bodies and Hockey Ontario. We have not carried out any examination of the economic impacts of senior amateur hockey or the extent to which senior amateur hockey is dependent, to some extent or other, upon the fact that the players in these clubs work their way up through clubs associated with Hockey Ontario.

Also, no attempt has been made to calculate the effects of Division support for amateur hockey upon the economic success of professional hockey. Similarly, we have made no effort to assess the impact which provincially-supported amateur figure skating has contributed to the multi-million dollar business of professional figure skating. Such attempts at analysis are beyond the time and budget allocated to us.

In terms of our assessment of direct impact, it is highly probable that we have not captured all the expenditures by participants, volunteers and spectators associated with each of the four Skating activities. Also, we have not considered the benefits of provincial subsidies to the Ontario Sports Administrative Centre which provides office facilities and services to SGBs at reduced rates.

Therefore, it is essential to emphasize that the figures presented herein must be regarded as conservative because they do not encompass all the major economic effects of the Division's support for amateur skating.

In addition to direct assistance to Skating - the focus of this report - the Division also assists skating activities through capital and operating grants to municipalities for the construction and operation of skating facilities and for the implementation of programs. For example, in 1981 capital expenditures by municipalities totalled $100.4 million, of which $18.8 million or approximately 20% was provided by the Division. The actual amount of support varies according to the type of community: in 1981 regional municipalities received capital funding totalling an average of 11.5% of their expenses, whereas smaller municipalities received sums close to 35% of their costs. These capital funds have significant causal effects in terms of encouraging further expenditures. In contrast, only minimal provincial funds are channelled into municipal operating costs. In 1981 municipal operating costs for recreation totalled $438.4 million, of which $7.1 million, only 1.6%, came from the Division.

In our assessment of the economic impact of Division funds on each ice skating activity this report provides a financial overview of three levels of functioning: provincial, regional and individual participant.

The first level sketches the allocation of Division grants, other sources of funding and 1982/83 expenditures by the Sport Governing Body. Then, at the regional level, the focus is on club or league expenditures and contributions made on the part of the municipal government. Lastly, at the individual level, we consider expenditures incurred by participants, volunteers and spectators. All of this information is then used to assess the Division's role in supporting and developing each sport.

Our estimates of expenditures at each level are based upon information provided by staff of the relevant skating organization. Not all the details of our analysis have been included; for example, where skaters buy a number of pairs of different types of skates or suits over a period of years, we have prorated this to a one-year period. Nonetheless, there is sufficient detail for the reader to grasp the thrust of our analysis.

All figures are for 1982/83 unless otherwise noted.

3.0 SPEED SKATING

3.1 BACKGROUND

Speed skating has a long history in Ontario. The first organized sport group was the Ottawa and District Speed Skating Association, formed in 1929. By the 1960's the sport had gained popularity in other regions in the province, and the name of the organization was changed to the Ontario Amateur Speed Skating Association. Since that time it has broadened its scope of activity to attract long-blade recreational skaters as well as competitive skaters. Hence, the name was changed again, in 1980, to the Ice Skating Association of Ontario (ISAO).

In 1980/81 the ISAO had 179 members plus 87 associate members. In the following year, the category of associate membership was eliminated, and by the end of 1982 total membership had climbed to 309. Of these, 84 are competitive skaters. Club membership is broadly based and members range in age from three to 65. Staff in 1982 included one provincial coach and a provincially-funded participation development officer.

There are ten clubs in the province, located in Ottawa, Scarborough, Etobicoke, Cambridge, Kitchener/Waterloo, Arnprior, Sault Ste. Marie, London, Oshawa, Sudbury and Pembroke. Their main purpose is to promote regional competitions and recreational skating. In addition, some skaters are trained to compete in the Canada Games and to be on the Canadian Olympic team.

In terms of skating facilities, Ottawa, Sault Ste. Marie, Oshawa and Kitchener are the only clubs with outdoor ice. In Ottawa and Sault Ste. Marie, the city provides outdoor ice for the local ice skating association; in Kitchener, the club members themselves put in the ice and maintain it. There are indoor ice rinks in London, Cambridge, Arnprior, Ottawa, Sudbury, Pembroke, Scarborough and Etobicoke. The ISAO proposes to establish an outdoor provincial speed skating centre in the north, possibly in North Bay or Sudbury, and an indoor provincial centre in the south, likely in Kitchener.

At the Canada Games, Ontario placed second overall after Quebec and came away with two gold medals in speed skating.

3.2 FINANCIAL OVERVIEW

3.2.1 Provincial Level

For the years 1981/82 and 1982/83 the association received a Participation Development Grant from the Ministry of Tourism and Recreation. Budgets for the past two years are available on file at the Ministry and can be summarized as follows:

Ontario Speed Skating Association: Financial Summary - 1982/83

1982/83 Revenues

Wintario Non-Capital Grants	$ 26,260	
Participation Development Grant	19,270	
Base Grant S.G.B.	16,200	
Activity and Fund Raising Receipts	12,945	
Athletes Assistance Program	6,750	
TOTAL		$ 81,425

1982/83 Expenditures

Training and Programs	$ 24,778	
Athlete Assistance Payments	6,750	
Planning/Executive/Board Meetings	6,389	
C.A.S.S.A. Fees	1,415	
Newsletter	1,015	
Administrative Expenses	3,421	
British Tour	615	
Sub Total		$ 44,383

Participation Development Officer

Salary	$ 22,000		
Van Rental	3,763		
Equipment	3,662		
Ice Costs	2,875		
Travel	2,140		
Administration	1,872		
Sub Total		36,312	
TOTAL			$ 80,695

For the year 1982/83 the Participation Development Grant totalled 62.3% of the total income of the association. Taken together, Ministry grants comprised 84% of the total income, in addition to self-generated revenue which totalled 16%. Grant money went towards basic operating costs and program development.

It is the impression of the Ice Skating Association officials that the Association would go flat without provincial funding: "We would go down the tubes".

Provincial staff are considered to play a key role in facilitating the growth of speed skating across the province, in assisting the work of the association itself and in assisting the association in working with provincial funding and resources.

3.2.2 Organization Level

Clubs usually pay for indoor ice time. A typical rental rate is $60/hr. for four hours per week for six months or 26 weeks. The club also pays the extra charges involved for specialty events such as competitions. Consequently, the typical club might spend $8,000/yr. for indoor ice time. There are seven such clubs with indoor ice, totalling $56,000/yr.

In addition, each club spends approximately $2,000/yr. on equipment for new members and for rentals. Given that there are ten clubs, this totals $20,000/yr. for equipment and rentals.

In addition, organizers of the Kitchener club spent the following for Octoberfest activities in 1982:

o	Tickets	$ 1,300
o	Awards	2,000
o	Jackets	1,100
o	Wine and Cheese	500
o	Printing	400
o	Student Workers	150
		$ 5,450

Therefore, total club expenditures for 1982/83 are estimated to be $81,450.

In terms of provincial funding, Wintario grants are made available to each club for one invitational meet within the province covering 75% of travel costs (up to 400 km one way) and 50% of accommodation. Total Wintario grants in 1982/83 at the club level were $12,776.

Municipal expenditure relates primarily to clubs with outdoor ice. The City of Ottawa spends $30,000/yr. to establish and maintain ice for the local ice skating association, while the City of Sault Ste. Marie spends $10,000/yr.

3.2.3 Individual Level

This is made up of three components: actual participants, volunteers and spectators.

Participants

Participant's costs depend on whether the individual is a recreational or competitive speed skater.

Since recreational speed skating is a relatively new development in the ISAO, participant expenditures are difficult to estimate. For this reason calculations for recreational skaters are limited to membership fees and skate sharpening.

All Participants

o	Fees - $45 X 300 skaters	$ 13,500
o	Skate Sharpening - $5 X 26 weeks X 300 skaters	39,000

Competitors

o	Skates - $300 X 84 skaters	25,200
o	Safety Helmets - $40 X 84 skaters	3,360
o	Gloves - $10 X 84 skaters	840
o	Suit - $100 X 84 skaters	8,400
		$ 90,300

In addition there are specialty events such as Octoberfest in Kitchener where 178 people spent three days at the competition and spent $11,000 on rooms and an estimated $16,000 on food for three days, plus their travel costs.

Therefore, total participant expenditures for 1982/83 are estimated to be $117,300.

Volunteers

Expenditures. For travel, parents and other volunteers would spend the following:

- Assume an average team for a race is 14 skaters plus one coach for a weekend taking 8 rooms at $40 each;
  8 X $40 X 2 nights = $640
- Assume food expenditures of $30 per person over the two days for 15 people;
  $30 X 15 = $450
- Assume three cars (five persons per car) travelling an average of 814 km (including long distance travel by Sault Ste. Marie) getting 8 km to the litre at .44¢ per litre;
  3 X 814 km = 2,442 km divided by 8 = 305 litres X .44 = $134
- Assume each of four clubs travels to a competition three weeks out of four for six months each year;
  4 X 3 X 6 = 72 trips X total cost of $1,224 = $88,128

In addition, coaches' expenses include two pairs of skates at $300 each over ten years, and $200 for a stop watch once in five years, for an average expense of $100 per year. Three coaches X ten clubs X $100 = $3,000

Therefore, total volunteer expenditures for 1982/83 are estimated to be $91,128.

Time. In terms of volunteer time for travelling, we can assume one adult for every four children, so that six adults in each of four clubs contribute approximately two working days, or 16 hours, three times a month for six months. Based on this, volunteer hours total 6,912. For the purposes of this study, volunteer time is valued at $10 per hour, so the monetary equivalent would be $69,120.

Each of ten clubs has an average of three coaches, each of whom puts in four hours per week for 26 weeks. Their volunteer time would be worth $31,200.

In addition, the Kitchener club puts in its own ice, which requires about 120 hours of volunteer labour to install and about 18 hours of volunteer labour per week to maintain for an average of eight weeks, for a total of 144 hours. 264 hours X $10 = $2,640.

Therefore, total volunteer time for 1982/83 is estimated to be worth $102,960.

Spectators

The association reports that there are very few spectators apart from friends and parents of the participants because there is no time or money to promote spectator attendance.

TABLE 2

3.2.4 Summary: Speed Skating - 1982/83

Revenues			Expenditures*	
SGB:ISAO			ISAO	$ 81,140
Province	$68,480	84%	Clubs	81,450
Fund Raising	12,945	16%	Municipality	40,000
			Participants	103,800**
Clubs			Spectators	--
Province	12,776	--	Volunteers	91,128
Other Sources	N.A.	--	Volunteer Time	102,960
Total Identifiable Revenues	$94,201		Total Identifiable Expenditures	$500,478
Total Provincial Contribution	$81,425		Provincial Contribution to Identifiable Expenditures	16.2%

* Represents all identifiable expenditures towards speed skating activities; does not take into account the multiplier effect.

** Excludes participant fees, which are included as club expenditure.

4.0 RINGETTE

4.1 BACKGROUND

Ringette began in North Bay in 1963 as a winter team sport for girls. By 1969 participation in the game had expanded to the point where a provincial association was established, and it appears that at this time or shortly afterwards provincial funding was provided, although no figures are available.

The Sport Governing Body is the Ontario Ringette Association (ORA), which started out with an executive director and full-time secretary funded by the Division. Since then a technical director, program co-ordinator and another full-time secretary have been hired. In 1973 the ORA relocated in the Ontario Sports Administrative Centre in Toronto.

The ORA has divided the province into six regions. Each region has a number of associations and each association has a number of clubs. Currently, there are about 60 associations and 467 teams affiliated with the ORA. Membership has grown at the rate of about 10% to 20% per year, from approximately 3,000 players in 1972 to approximately 7,000 players in 1983.

Of the current 7,000 person membership, approximately 4,000 members belong to house leagues and 3,000 belong to competitive associations. In addition, there are approximately 4,000 non-registered players who belong primarily to recreational leagues and do not usually play outside their own territory. While the focus of ORA is developing competitive players, it also attempts to service recreational Ringette.

There are currently six age groups in organized Ringette: ten years and under, 12 years and under, 14 years and under, 17 years and under, 18 years and over and 20 years and over. This last age group was started in the fall of 1982. One tournament has already been held at which approximately 300 players turned up. It is expected that this "Ladies" group will grow rapidly, because many women who played as youngsters want to take it up again.

The house league clubs typically play one tournament per year, which does not usually require travel outside municipal boundaries, while the competitive clubs typically play in two tournaments per year which do involve travel.

The Ontario teams have done well in the Canadian championships, winning gold and silver medals each year. At the international level, the Canadian Association is involved in forming an international federation with the U.S. and European countries.

4.2 FINANCIAL OVERVIEW

4.2.1 Provincial Level

In 1982 the ORA received a base grant of $100,448 from the Ministry. This funding was allocated to seven functions: administration, communication, human resources development, competition and competitor development, regional development and special projects.

In addition the Association received Wintario travel grants totalling some $12,000 for the national championships, and each individual association received Wintario travel funds for competitive teams for one tournament that year. Wintario grants to individual associations totalled $97,774 for 1982/83.

Ontario Ringette Association:
Financial Summary 1982/83

1982/83 Revenues

Provincial Grants	$ 137,427
Sponsors and Self-Support	24,860
Fees and Assessments	23,318
Annual Conference	7,046
Fund Raising	5,805
Educational and Promotional Resources	10,140
Officiating Clinics, Schools and Clubs	3,735
Coaching Clinics, Schools and Clubs	2,978
Tournaments	38,226
Players Camps	11,077
Miscellaneous	2,167
TOTAL	$ 266,779

1982/83 Expenditures

Operations	$ 79,153
Membership Services	52,209
Management Services	13,345
General Technical	--
Publicity Development	10,345
Officiating Development	13,360
Coaching Development	7,042
Tournaments	81,201
Player Development	14,449
Cost of Fund Raisers	5,876
TOTAL	$ 276,980

Provincial funds made up 51% of the ORA's total income in 1982/83.

Division funding has played a key role in the development of Ringette as a sport in Ontario. Michael Nowosad, Managing Director of the ORA, put it this way: "Without it (the funding), we would be operating from a kitchen table in someone's home." The move to the Ontario Sports Administrative Centre, made possible by Division grants, has given ORA access to a variety of services at reduced prices. And it is clear that Division grants helped to establish ORA and enabled it to generate more funds to develop the sport.

4.2.2 Organization Level

Each house league club spends approximately $85 per player; assuming 4,000 house league players, the total expenditure is $340,000. Each competitive club spends $93 per player; assuming 3,000 competitive players, this totals $279,000. Thus house league club and competitive league club expenditures total $619,000. These costs include sweaters, trophies, banquets, tournaments, ice time and referee services, among other expenditures.

Figures for the Southern region indicate that for each house league player there is a deficit of $14 X 4,000 = $56,000; and for each competitive player there is a deficit of $12 X 3,000 = $36,000 for a total deficit of $92,000. These deficits are covered through various fund-raising activities throughout the year.

In terms of municipal funding, there are variations from city to city, but assistance usually takes the form of a reduction in charges for ice time at municipal arenas.

Therefore, total club expenditures are estimated to be $619,000.

4.2.3 Individual Level

This is made up of three components: actual participants, volunteers and spectators.

Participants

Fees

o	Clubs	Competitive $45 X 3,000 players	$ 135,000
		Houseleague $60 X 4,000 players	240,000
o	Camp	$250 X 400 players	10,000
Total Annual Fees:			$ 385,000

Equipment

o Sticks	
- Houseleague - 2 sticks @ $5 each = $10 X 4,000 players = $40,000	$ 40,000
- Competitive - 4 sticks @ $5 each = $20 X 3,000 players = $60,000	60,000
o Skates	
- Assume $80 average/pair X 3 pairs over 5 years X 7,000 players = $1,680,000 divided by 5 years = $336,000	336,000
o Helmets	
- Assume $30 each X 2 pairs over 5 years X 7,000 players = $420,000 divided by 5 years = $84,000	84,000
o Pads/Gloves	
- Assume $40 per set X 2 sets X 7,000 = $560,000 divided by 5 years = $112,000	112,000
Total Annual Equipment Expenditures By Player/Parents:	$ 632,000

Travel: Competitive Tournaments

- Assume each competitive club plays in two tournaments - 3,000 X 2 = 6,000 players

- Assume 60% of the 6,000 players travel to tournaments = 3,600 travelling

- Assume half are billetted = 1,800 in motels plus 500 parents/friends = 2,300 in hotels at $15 each X 2 nights = $69,000

- Assume $20 for food per day per person X 2.5 days X 2,300 = $115,000

- Assume five cars per team and 200 teams for two tournaments = 400 cars; gas costs are covered by the associations; therefore, no participant expenditure allocated.

Therefore, annual travel expenditures are estimated to be $184,000.

Therefore, total participant expenditures for 1982/83 are estimated to be $1,201,000.

Volunteers

This category includes association and team volunteers.

Time. There are 467 teams with approximately three volunteers (coaches, manager, trainers) for each team for a total of 1,400 volunteers. Each volunteer spends approximately four hours per week for 26 weeks = 1,400 X 4 X 26 = 145,600 hours.

Each association also has seven to ten volunteers on committees, executives, etc. Each volunteer spends approximately ten hours per month on association work. Assuming an average of 8.5 volunteers doing ten hours of work per month for six months, 510 hours are contributed X 60 associations, totalling 30,600 hours.

Based on a rate of $10 per hour, the value of total volunteer hours is $10 X 176,200 = $1,762,000.

Therefore, total volunteer time is estimated to be worth $1,762,000.

Expenditures. Team officials also have travel expenditures for tournaments. Assume the same costs as above: $20 per day for food for 2.5 days and $15 for accommodation for two nights, for each of 1,400 officials = $112,000.

Therefore, total volunteer expenditures are estimated to be $112,000.

Spectators

House League Tournaments

- Assume each player brings one friend, parent, spectator. The average admission fee to the annual tournament is $3 per spectator X 4,000 = $12,000

Competitive Tournaments

- Assume each competitive club plays in two tournaments; 3,000 X 2 tournaments = 6,000 players
- Assume each player brings a friend, parent, spectator = 6,000 spectators and assume average $5 entrance fee = $5 X 6,000 = $30,000.

Therefore, total spectator expenditures are estimated to be $42,000.

TABLE 3

4.2.4 Summary: Ringette - 1982/83

Revenues			Expenditures*	
SGB:ORA				
Province	$137,427	51%	Association	$ 276,980
Institutions	24,860	9%	Clubs	619,000
Fund Raising	5,805	2%	Participants	816,000**
Activities	45,272	17%	Spectators	42,000
Services	27,930	10%	Volunteers	112,000
Fees	23,318	9%	Volunteer Time	1,762,000
Misc.	2,167	1%		
Clubs				
Province	$ 97,774			
Other Sources	N.A.			
Total Identifiable Revenues	$364,553		Total Identifiable Expenditures	$3,627,980
Total Provincial Contribution	$235,201		Provincial Contribution to Identifiable Expenditures	6.4%

* Represents all identifiable expenditures towards Ringette activities; does not take into account the multiplier effect.

** Excludes participant fees, which are included as club expenditure.

5.0 FIGURE SKATING

5.1 BACKGROUND

Organized figure skating in Ontario is the responsibility of the Canadian Figure Skating Association, Ontario Council, established in 1973 and located in the Ontario Sports Administrative Centre. Staff include an executive director, a program co-ordinator, four part-time technical directors and resources available from OSAC.

The CFSA (Ont.) is divided into four regions: North, Central, West and East. As of October 1982, there were approximately 57,672 registered members including skaters, volunteers and judges. Registered members of the CFSA are categorized as:

o	Competitive	1,800	persons
o	Test skating	20,000	persons
o	NST (Recreational)	35,500	persons

Almost all of the registered members belong to one of 380 clubs. The number of clubs has more than tripled from 117 in 1976. The CFSA (Ont.) estimates that 96% of its members belong to an arena club and 4% or less belong to a private club.

Ontario figure skaters have performed well at all levels of competition. The number of first placings at each level in 1982/83 are: regional - 16; divisional - 24; national - 16; and international - 3.

It should be noted that this report does not take into account the great numbers of recreational figure skaters who are not represented by any association.

5.2 FINANCIAL OVERVIEW

5.2.1 Provincial Level

Since figures are not yet available for 1982/83, statistics are based on 1981/82. For that year CFSA (Ont.) received Division funding in the form of a Base Grant, Wintario Grant and the Athlete Assistance Program, totalling $193,442. This amount accounted for 73% of the total SGB budget of $265,038. The remainder of the SGB budget was collected through fund raising activities, and fees contributed by each of the four regions to help pay staff salaries. Expenditures for 1981/82 totalled $259,421.

The Base Grant pays for administration, communications, human resources, judges, training, association meetings and a technical director.

Provincial funding, in the form of Wintario grants to the clubs, totals $61,978.

Since figure skating has a long history in Ontario, the effects of Division funding are difficult to estimate. The most apparent effect is in the area of club membership; this has more than tripled in six years. Given that there has been no significant population growth during those years, one must assume that a very substantial proportion of this growth is due to the funds and organizational resources provided by the Division to the CFSA (Ont.).

According to Shirley Marsden, Executive Director of CFSA (Ont.), provincial funding facilitates co-ordination of services for some 58,000 members (plus volunteers), provides assistance to athletes and assures quality training programs.

5.2.2 Organization Level

Each of the 380 clubs belongs to one of the four Ontario regions. Any individual joining the CFSA (Ont.) pays $6 for a national registration fee. Of that $6, $3 goes to the region to assist it to pay for its programs. Total revenue for the four regions in 1981/82 was $202,834, and expenditures were $245,147, supplemented by reserves. Costs at this level include training and certification programs, meeting planning, communications, accountants and the staging of championships.

At the club level, the average club might have 150 members, and spend $35,000 a year. Ice time alone, for a 21 week season requiring 13 hours on ice per week at $65 per hour, comes to almost $18,000. Other costs include carnivals, mailings and registration. The total expenditure for 380 clubs, therefore, is at least $13,300,000.

Provincial funding, in the form of Wintario grants to the clubs, totals $61,978.

Municipal contributions to figure skating are described as not substantial and we have no data on this component.

Therefore, total organization and club expenditures are estimated to be $13,502,834.

5.2.3 Individual Level

Participants

The individual skater incurs expenses totalling $2,717 or $603 respectively, depending upon whether he or she is in the Test Program or the NST (Recreation) Program. For the 20,000 test skaters, costs total $59,060,000 and for the 35,500 NST skaters costs come to $21,406,000. (See table.)

For competition skaters the costs are higher yet. Based on the returns from nine skaters (singles and pair), CFSA (Ont.) calculates that each competition skater spends an average of $9,000 a year on equipment, coaching, choreography, club memberships, ice charges, transportation (including boarding away from home) and other costs listed in the table.

Only eight out of the 1,800 competition skaters in Ontario receive any support from the province. Therefore, the expenditures of the 1,792 competition skaters is $16,128,000, not including championship costs.

Therefore, total participant expenditures are estimated to be $96,594,000.

Volunteers

Time. Volunteer time falls into three categories. Officials spend approximately 78,000 hours on coaching, training, judging and related activities. At the regional level, volunteers work approximately 108,000 hours per year, and at the club level, volunteer time is estimated at 1,197,000 hours. Again, time is valued at $10/hr.

Therefore, total volunteer time is estimated to be worth $13,830,000.

Expenditures. We have not been able to calculate volunteer expenditures.

Spectators

There are ten championships each year in Ontario, for which 1,000 spectators would pay an entrance fee of $5, totalling $50,000. And assuming a modest expenditure on snacks at $2.50, additional spending totals $25,000.

Therefore, total spectator expenditures is estimated to be $75,000.

TABLE 4

5.2.4 Summary: Figure Skating - 1981/82

Revenues			Expenditures*	
SGB:CFSA (Ont.)				
Province	$ 193,442	73%	Association	$ 259,421
Other	71,596	27%	Clubs & Regions	13,502,834
			Participants	83,279,000**
			Spectators	75,000
			Volunteers	--
			Volunteer Time	13,830,000
Clubs				
Province	$ 61,978		N/A	
Other Sources	N.A.			
Total Identifiable Revenues	$ 327,016		Total Identifiable Expenditures	$110,946,255
Total Provincial Contribution	$ 255,420		Provincial Contribution to Identifiable Expenditures	0.2%

* Represents all identifiable expenditures towards figure skating activities; does not take into account the multiplier effect.

** Excludes participant fees, which are included as club expenditure.

	TEST	NST (Recreational)
Club Membership (Private)	$2,000 X 2,360 members (4% of Ontario registrations) = $4,720,000	—
Club Membership (Arena)	$150 X 20,000 = $3,000,000	$150 X 35,500 = $5,325,000
Patch	$110 X 20,000 = $2,200,000	
Lessons	$30/week X 23 weeks = $690 X 20,000 = $13,800,000	$5/week X 23 weeks = $115 X 35,500 = $4,082,500
Skates	1.5 Boots @ $200 ea. = $300 X 20,000 = $6,000,000 1.5 Blades @ $200 ea. = $300 X 20,000 = $6,000,000	1 pair (boots and blades) = $150 X 35,500 = $5,325,000
Scribe	$50 X 20,000 = $1,000,000	—
Costumes, Ski Suits, etc.	$300 X 20,000 = $6,000,000	$50 X 35,500 = $1,775,000
Music - Solo	$100 X 20,000 = $2,000,000	—
Off Season Skating Camps (6 weeks) Tuition, lessons, etc.	Assume 50% participate Registration/6 weeks = $380 Lessons/6 weeks = $240 TOTAL - $620 X 10,000 = $6,200,000	Assume 20% participate Registration/lessons/6 weeks = $450 X 7,100 persons = $3,195,000
Tests: Rent private ice once or twice/yr.	Private lessons with coaches: 2 hours of ice time @ $40 and 2 hours with coach @ $60 = $100 X 2/yr. = $200 X 20,000 test days = $4,000,000	—
Test Fee	$3/test X 6 tests = $18 X 20,000 = $360,000	$3/test X 3 tests = $9 X 35,500 = $319,500
Skate Sharpening	12 times per year X $5 X 2 pairs = $120 X 20,000 = $2,400,000	4 times per year X $4 = $16 X 1 pair X 35,500 = $568,000
Travel (including arena lessons, trips to competitions, trips to tests)	$6 per week X 23 weeks X 10,000 = $1,380,000	$1 per week X 23 weeks = $23 X 35,500 = $816,500
TOTALS	$59,060,000	$21,406,000
Average Individual Cost	$2,717	$603

6.0 HOCKEY

6.1 BACKGROUND

In Ontario there is no single Sport Governing Body for hockey. Rather, there are three major organizations which serve as the accepted structure. These are the Ontario Hockey Association (which embraces the Northern Ontario Hockey Association, the Ontario Minor Hockey Association, the Metro Toronto Hockey League and Ontario Women's Hockey), the Thunder Bay Amateur Hockey Association and the Ottawa District Hockey Association (which includes the Ottawa District Minor Hockey Association).

The following represents the current distribution of players.

Assoc.	# Players	# Teams
TBAHA	6,290	475
ODHA	17,890	1,233
OHA	179,893	10,722
	204,073	12,420

These "official" leagues together represent about 200,000 players. In addition, there are many groups which are not affiliated with these associations: for instance, house leagues, church clubs, the Canadian Oldtimers, municipal groups, school leagues and industrial leagues. These groups may total another 200,000 players.

The activities of the "official" associations are complemented by the provincially-sponsored body, Hockey Ontario, established in 1980, which promotes development and training. In the year 1981/82 Hockey Ontario provided these services to all the major hockey groups mentioned above. Representatives from the different associations serve as members of the Board of Directors. Hockey Ontario also provides services to unaffiliated groups, such as training for coaches, officials, etc., on a user-pay basis.

The relationship between Hockey Ontario and the three organizations is in a process of transition. Over the last two years several associations which were affiliated with Hockey Ontario have discontinued their affiliation. The substantial drop in the number of Hockey Ontario affiliates poses problems for our attempt to estimate the economic impact of the Division's contribution to amateur hockey.

At the present time, the Canadian Amateur Hockey Association (CAHA) and the Ministry are discussing the establishment of one umbrella association for amateur hockey in Ontario. This would remedy the overlap in services provided by Hockey Ontario and the CAHA, and simplify relationships among the various organizations.

In 1981/82, in addition to the players and teams, there were approximately 2,000 coaches, assistants and managers; 10,000 officials; and 4,000 certified trainers affiliated with Hockey Ontario. These figures do not include those people not affiliated with Hockey Ontario.

Hockey Ontario employs seven full-time staff, based in Toronto, three regional staff, two secretarial staff, plus three secretarial staff provided directly through OSAC.

Toronto staff include: one coaching technical director, one referee technical director, one sports medicine technical director, one marketing and communications director, one administrator (payroll/accounting), one executive director and one women's hockey director.

The work of the Hockey Ontario Board has become so demanding that volunteers are letting field staff carry much of the load. Volunteers are assisted by field staff in training and program development.

As an example of expansion made possible by Division funding, the appointment of a women's hockey director resulted in an increase from 50 women's teams in 1980, to the present 300 teams with some 6,000 players.

In terms of performance, Ontario has done well, especially last winter when a team representing the province won a gold medal at the Canada Games.

6.2 FINANCIAL OVERVIEW

6.2.1 Provincial Level

The Hockey Ontario budget is $930,485 of which approximately 80% is provided by the Division and the remainder is provided through private donations and the sale of resources such as advertising in the various programs. These funds are used solely for the provision of services and resources, including staff training and seminars, development camps, meetings, manuals and research. There are no direct grants from Hockey Ontario to any of the hockey associations.

Hockey Ontario: Financial Summary 1982/83

1982/83 Revenues

Development Camp Monies	$ 27,136
Advertising Revenue	20,974
Sales Revenue	53,756
Coaching Fees	43,596
Referee Program	18,595
Sports Medicine	4,920
Base Grant SGB	290,000
Wintario Grant	451,050
TOTAL	$ 930,485

1982/83 Expenditures

Coaching Clinics	$ 64,923
Refereeing Clinics	47,556
Sports Medicine	33,538
Technical Resources & Committees	371,138
Administration & Communications	331,242
TOTAL	$ 848,397

6.2.2 Organization Level

Hockey Ontario has no record of expenditures by the various associations. This information would have to be obtained from the OHA, the TBAHA and the ODHA. Wintario funds to individual clubs for 1982/83 totalled $1,071,457.

6.2.3 Individual Level

Participants

The cost to individual hockey players, and their families, can vary widely depending upon the level at which the individual players are competing. We have used the figures prepared by Lois Kalachman for the 1977/78 season and updated these for August 1982. According to these calculations, the cost to the average affiliated player and his/her family was approximately $800 per year in 1982/83.

This figure includes the cost of equipment, registration fees, arena entries, skate sharpening, tickets for fund raising activities, baby sitters and travel. The costs for individual players at the more senior amateur hockey levels could be as much as $10,000 per year, but we have not included this estimate.

Thus the total expenditure for 200,000 affiliated players at $800 each, was $160 million. We assume half this cost for unaffiliated, and presumably less active, players, for an additional $80 million.

Because this is an umbrella figure, we have not attempted to disaggregate specific costs such as the cost of ice time; although, as a matter of interest, we estimate that for the year 1981/82 almost $60 million was spent by the various clubs to pay for ice time at local arenas across the province.

Therefore, total participant expenditures is estimated to be $240,000,000.

Volunteers

There are two categories of volunteers: those associated with individual teams and those associated with the various hockey associations.

Team Volunteers

Team volunteers include coaches, trainers, assistant coaches, managers, but not parents.

Expenditures. In terms of volunteer time, it has been calculated that a coach would spend approximately $500 per year on expenses for travel and related activities. Assuming that the assistant coaches, managers and trainers on each team spend a combined equivalent amount of $500 per year in total, this works out to $1,000 per team in out-of-pocket expenses. Assuming there are 12,433 teams, total out-of-pocket disbursements by coaches/managers/trainers = $12,433,000.

Again, assuming that volunteer expenditures for unaffiliated teams are 60% less than for affiliated teams, this would add another $4,973,200.

Therefore, total volunteer expenditures are estimated to be $17,406,200.

Time. To calculate the total amount of volunteer time spent with the individual teams we have made the following assumptions:

- Assume there are 12,433 teams.
- Assume 25 games for the average team.

- Assume four hours of volunteer work for every hour spent by the team in play: this volunteer work includes practice time, administration, management, personnel and so on.

- Assume one hour of travel on the average for each game. Therefore, each season a coach would spend approximately 125 hours in volunteer time. Assuming there are an assistant coach and a trainer and/or manager for a total of three volunteers per team, this works out to 375 hours of volunteer time per team X 12,433 teams for a total of 4,662,375 hours or $46,623,750.

In calculating volunteer time for unaffiliated teams, we will assume, somewhat arbitrarily, that contributions are scaled down by 60%. Thus, volunteer time at this level is valued at $18,649,500.

League Volunteers

All league officials are volunteers. We have made no calculation of League volunteer expenditures.

The following are the assumptions used to calculate the value of their volunteer time:

- Assuming 12,433 teams and 35 teams in each league, there are 355 hockey leagues.

- Assuming an average of ten officials per league, this works out to 3,550 volunteers.

- Assuming each volunteer puts in three hours of work per week for 30 weeks, this works out to 90 hours per volunteer per season = 3,019,500 volunteer hours at $10 an hour or $30,195,000.

Therefore, total Team and League volunteer time is estimated to be worth $95,468,250.

Spectators

The average hockey team may have 13 games at home and charge a $2 entry fee for each of 100 spectators. Assuming another $2 each for snacks, spectator expenditures for 12,433 teams would be $64,651.600.

Therefore, total spectator expenditures are estimated to be $64,651,600.

TABLE 5

6.2.4 Summary: Hockey - 1982/83

Revenues			Expenditures*	
Hockey Ontario				
Province	$ 741,050	80%	Association	$ 848,397
Other	189,435	20%	Clubs	--
			Participants	240,000,000**
			Spectators	64,651,600
Clubs			Volunteers	17,406,200
Province	1,071,457	--	Volunteer Time	95,468,250
Other	N.A.	--		
Total Identifiable Revenues	$ 2,001,942		Total Identifiable Expenditures	$418,374,447***
Total Provincial Contribution	$ 1,812,507		Provincial Contribution to Identifiable Expenditures	0.4%

* Represents all identifiable expenditures towards hockey activities; does not take into account the multiplier effect.

** Excludes participant fees, which are included as club expenditure.

*** This figure is greatly underestimated since an estimate of club expenditures is not available.

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Ontario

Ministry of
Tourism
and
Recreation

Province of Ontario
Queen's Park
Toronto, Canada
M7A 2E5

Hon. Reuben C. Baetz
Minister,
John R. Sloan
Deputy Minister

Volume

4

Ontario

Ministry of Tourism and Recreation

RECREATION...a changing society's economic giant

INTERVIEW RESULTS VOLUME 4

An economic impact study prepared by

Earl Berger Limited

In Association With

G.M. Stamm, Economic Research Associates

Mathieu, Williams, Letheren Associates

Bryce Taylor, D.P.Ed.

Carol Anne Letheren

October 1983

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In Association With:

G.M. Stamm, Economic Research Associates
Mathieu, Williams, Letheren, Associates

BACKGROUND*

The consultants conducted a series of personal interviews with personnel in the Recreation Division, Ministry of Tourism and Recreation, and senior management of the Ministry. The interviews were all based on the same questionnaire (Appendix A).

The following individuals were interviewed:

Jim Bradley
Robert Farrow
Fred Gibbons
Joe Halstead
Jerry Kaplan
Bill Knott
Cathy Miller
Burt Perrin
Bob Secord
Alex Semeniuk
Mike Shoreman
John Sloan
Gord Smith
John Thorsen
Betsy Tomasik
Dorothy Walter
Ray Wittenberg

The consultants verified most of their interview summaries with those interviewed. The following material (Appendix B) is a collective reporting of the material, summary comments and recommendations.

These interviews were conducted by Dr. Bryce Taylor and Carol Anne Letheren.

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* This report does not reflect changes in the structure of the Sport and Fitness Branch effective September 6, 1983. The realignment does not affect the results of this study.

CONSULTANTS' COMMENTS

1. Community fitness, sport and recreation programs in the province of Ontario are heavily dependent upon funding by the Recreation Division.

2. The format used to fund the various programs is not consistent from program to program but rather has been designed with the needs of individual programs/groups/regions in mind. Respondents report that this flexible approach is necessary to accommodate the diversity of needs in a province as large and diverse as Ontario. The differences in the needs for the isolated North and urban Toronto are considerable.

3. Respondents regard the role of the Recreation Division as a provider, catalyst, initiator , as critical to the ongoing health and growth of its groups and clients. By way of example, a significant 38% of monies received to fund the provincial sport governing bodies comes from the Division directly. In certain cases to "drop a program" would mean a complete activity or sport would be unavailable to the citizenry of this province.

4. The Recreation Division is returning philosophically and pragmatically to a system of "user pay" in all of its direct program offerings. This is intended to help to foster a greater spirit of independence and individual involvement among the participants in all programs and to place greater financial responsibility for program offerings upon those who benefit directly from these programs.

5. The Recreation Division regards one of its role to be that of "service": helping others (i.e., their clients) to help themselves. The results of this service role are difficult to quantify and, therefore, difficult to measure in terms of economic impact or value for investment.

6. The Recreation Division's impact extends into policy and program directions. The regions adopt programs supported by the Division. If a program is not being emphasized by the Division, it will not likely be emphasized in the regions. The funding base of support provided by the Division is significant enough to command a leadership role.

7. The contents of this report can be useful to management, particularly if up-dated on a yearly or regular basis, in various ways such as:

    o New staff orientation
    o Staff orientation on changes in the Division
    o Budget review
    o Data bank for short and long-range planning
    o Orientation of elected officials and civil servants unfamiliar with the operations of the Division
    o Evaluation and organization review.

Dr. Bryce Taylor
Carol Anne Letheren
Mathieu, Williams, Letheren, Associates

APPENDIX A

MINISTRY OF TOURISM AND RECREATION
RECREATION DIVISION

Economic Impact Study

Questionnaire - March 7, 1983

Note: Explain that we are carrying out an economic impact analysis of the activities of the Recreation Division. One of our tasks is to identify all services, activities and expenditures and how these are linked to other services, activities and expenditures as far down the chain as we can identify; for example, transportation for hockey teams.

We are interested in all information which helps us to establish what actually happens to activities, services, money. This information does not have to be "economic" or quantitative. Identify all activities and linkages. Use the attached chart of the prototype economic impact model to illustrate our requirements. The emphasis you place on particular questions will depend upon the particular organizations/units/program being examined. Encourage the respondent to be as specific as possible.

Emphasize that any information or opinions provided by the respondent will be held in confidence.

When making arrangements for the interview ask the respondent to assemble available quantitative and qualitative information about the programs, services, activities, clients, users, budgets (including 83-84), program evaluations, field reports, Management by Results (MBR) material, anything which might be germane.

Fill out answers for questions 3 to 12 on separate sheets, clearly marking the appropriate question number for each answer. Staple answer sheets to this face sheet and return to Earl Berger or Bill Chambers. Keep a photocopy for your own records.

Name of Interviewer: ____________________

Date: ____________________

1. Name of organization/unit/program.
2. Name and position of respondent.

3. Clarify activities of organization (brief description - clarify the specifics of each activity, distinguishing among direct services, training and consultation, resources, financial, administration and financial assistance).

4. How many staff do you have? Professional, support, contract?

5. Please describe the activities of each staff member; identify proportion of time allocated to each activity, program or function.

6. Who are your clients and their users?

   - Clients (e.g. SGB)
   - Users
     - Secondary? (e.g. teams, participants)
     - Tertiary? (e.g. bus drivers for teams)

   Identify client for each category of direct and indirect services, and follow the chain of secondary and tertiary users/spectators as far as possible. For each category, attempt to identify the total number of final clients or users; and spectators where these are involved. Where there are spectators, do they pay and how much?

7. What are your program budgets - Direct Operating Expenses and Transfer - and how are they allocated?

8.a. Please describe how each allocation is used.

8.b. If there is a transfer of funds involved, please identify the following:

   - Who gets the money?
   - How is it spent? (Identify all activities and linkages.)
   - Do they spend other monies as well, e.g. municipal, private?
   - How much money?
   - Where does this money come from?
   - What do they spend it on?
   - What is the relationship between your money and the other money (e.g., matched grants)?

9. Are there volunteers? Do clients or users use volunteers? (Specify for each program.)
   - o What do they do?
   - o How many hours per week/month/year do they spend?
   - o Do they supplement and/or replace paid staff?
   - o Do volunteers spend their own money?
   - o How much? (e.g. per parent, coach, etc.)
   - o What do they spend it on; e.g. equipment, travel?

10. What would happen to your client/users if:
    - o Your staff was reduced or expanded?
    - o Grant funds were reduced or expanded?

11. What difference does your program make? (Be as specific as possible and include your opinion of qualitative and quantitive benefits.)

12. Have we missed anything with respect to programs, services or activities, the chain of expenditures, anything else?

Summarize for the respondent the substance of your interview, identifying in detail:

1. Each activity and linkages from activities to activities, both direct and indirect.
2. Expenditures and linkages from expenditure to expenditure.

Ensure that you have as complete and detailed a picture as possible.

If the respondent can provide additional written information, ask him or her to leave it with Bill Knott (Recreation Branch and Community Programs) or Burt Perrin (Sports and Fitness).

Thank you and the respondent

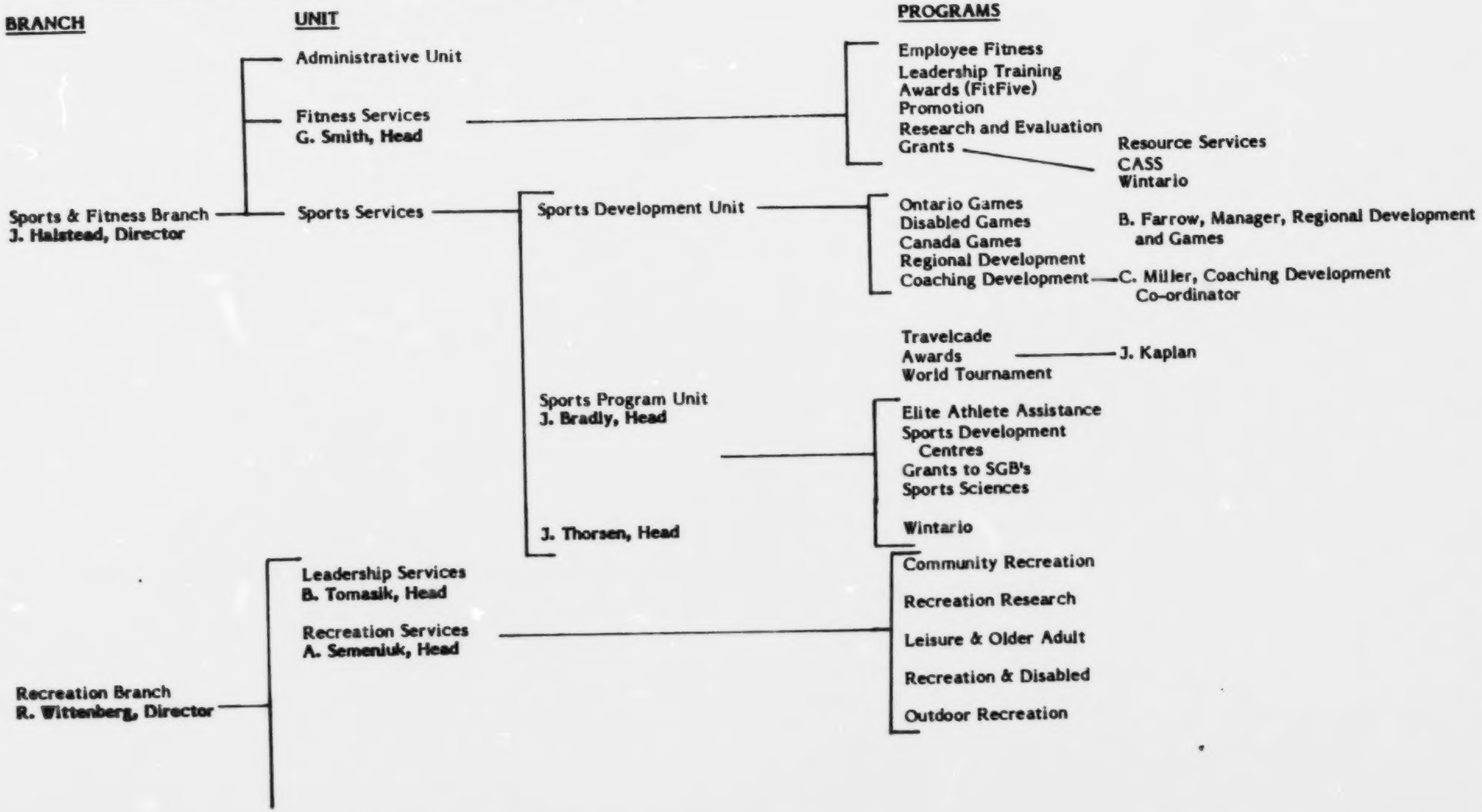
APPENDIX B

ANALYSIS OF INTERVIEWS

SECTION 1

ORGANIZATIONAL REVIEW

1) ORGANIZATIONAL BACKGROUND OF THE RECREATION DIVISION


BRANCH
UNIT
PROGRAMS
Administrative Unit
Fitness Services
G. Smith, Head
Employee Fitness
Leadership Training
Awards (FitFive)
Promotion
Research and Evaluation
Grants
Resource Services
CASS
Wintario
Sports & Fitness Branch
J. Halstead, Director
Sports Services
Sports Development Unit
Ontario Games
Disabled Games
Canada Games
Regional Development
Coaching Development
B. Farrow, Manager, Regional Development and Games
C. Miller, Coaching Development Co-ordinator
Travelcade
Awards
World Tournament
J. Kaplan
Sports Program Unit
J. Bradly, Head
Elite Athlete Assistance
Sports Development Centres
Grants to SGB's
Sports Sciences
Wintario
J. Thorsen, Head
Leadership Services
B. Tomasik, Head
Recreation Services
A. Semeniuk, Head
Community Recreation
Recreation Research
Leisure & Older Adult
Recreation & Disabled
Outdoor Recreation
Recreation Branch
R. Wittenberg, Director

1) ORGANIZATIONAL BACKGROUND OF THE RECREATION DIVISION (continued)

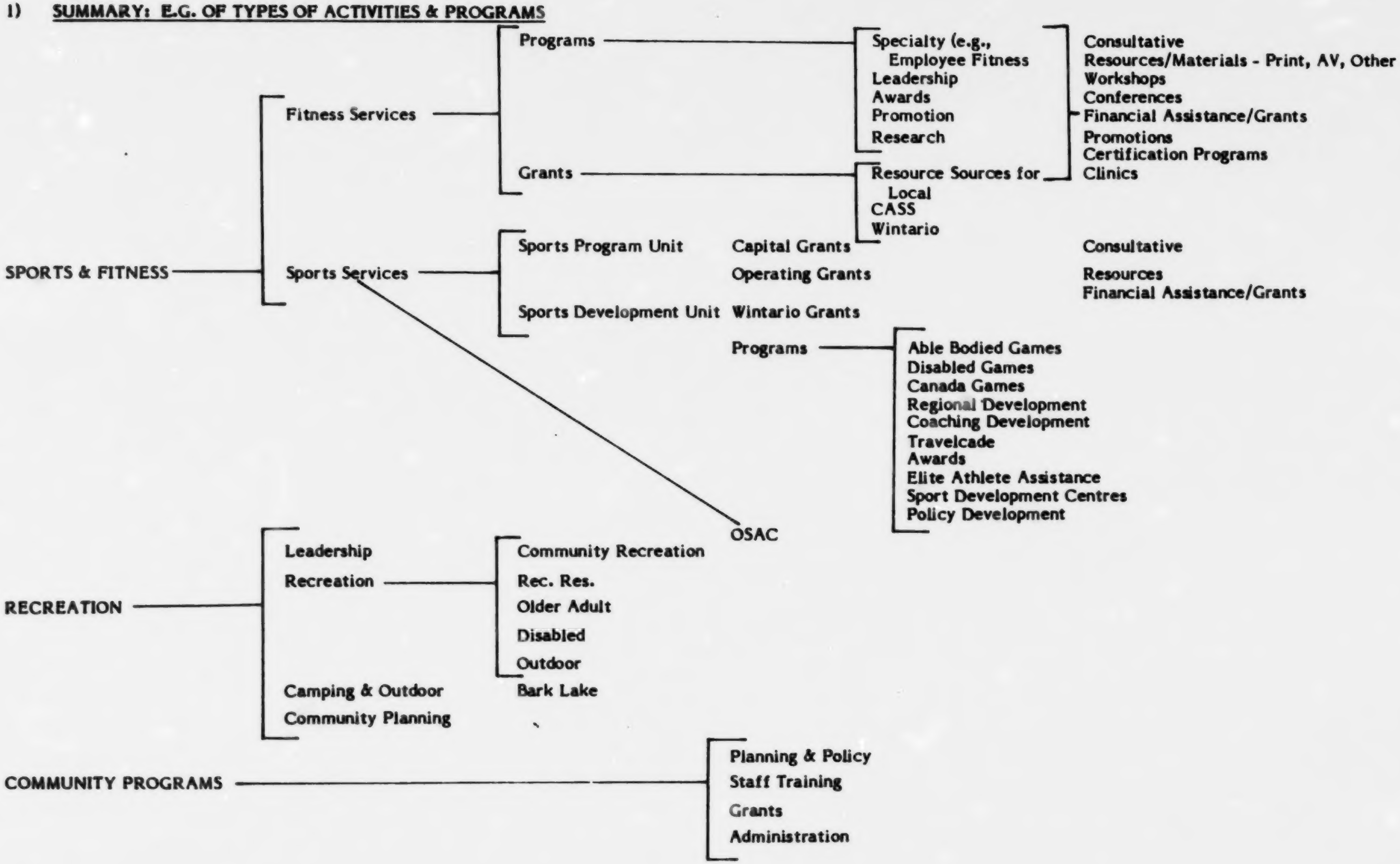
Camping & Outdoor Education Services
D. Walter, Head — Ontario Camp Leadership Centre

Communities Planning & Facilities
J. Shipman, Researcher

Community Programs
Bob Secord, Assistant Deputy Minister — -Regional Managers, District Supervisors & Consultants - 18 Field Offices

Program Delivery for Division
Regional Wintario Capital/CRCA/Wintario Program & Reg. 653 Grants

1) SUMMARY: E.G. OF TYPES OF ACTIVITIES & PROGRAMS


Programs
Specialty (e.g.,
Employee Fitness
Leadership
Awards
Promotion
Research
Consultative
Resources/Materials - Print, AV, Other
Workshops
Conferences
Financial Assistance/Grants
Promotions
Certification Programs
Clinics
Fitness Services
Grants
Resource Sources for
Local
CASS
Wintario
Sports Program Unit
Capital Grants
Consultative
SPORTS & FITNESS
Sports Services
Operating Grants
Resources
Financial Assistance/Grants
Sports Development Unit
Wintario Grants
Programs
Able Bodied Games
Disabled Games
Canada Games
Regional Development
Coaching Development
Travelcade
Awards
Elite Athlete Assistance
Sport Development Centres
Policy Development
OSAC
Leadership
Community Recreation
Recreation
Rec. Res.
RECREATION
Older Adult
Disabled
Outdoor
Camping & Outdoor
Bark Lake
Community Planning
Planning & Policy
COMMUNITY PROGRAMS
Staff Training
Grants
Administration

SECTION 2

ACTIVITIES AND PROGRAMS

SUMMARY SHEETS BY SECTION SERVICE

A. Sports and Fitness Branch

B. Recreation Branch

C. Community Programs

1) TYPES OF ACTIVITIES AND PROGRAMS

A) SPORTS AND FITNESS BRANCH

Services: Administrative, Communications, Planning, Human Resources, Competitor Development, Regional Development, Special Development Projects, Policy Development.

i) Fitness Services

Objective: To encourage Ontarians to become more physically active.

Programs

- Employee Fitness

  Objective: Target 18+ years adults at worksite/corporations to improve fitness.

  Services: Consultative to individuals and corporations.
  Resource materials:
    - Employee Fitness Resource Kit
    - Print materials
    - Manual
    - Survey

  Conference - major conference attracted 100 companies to send senior management.
  Grants - Wintario for initiation of employee fitness programs.

- Professional Development

  Objective: To increase the number and upgrade expertise of fitness leaders and fitness professionals.

  Programs: Consultative re: resources, workshops, design, leadership issues.
  Resource Materials - Trainer's manuals, leaders manuals
  Workshops - F.O.L.P. workshops through sponsoring agencies; funds and course materials provided. 15-20 workshops per year, 28 trainers in the province.
  Specialty Workshops - 7 topics, 40 workshops planned per year.
  Other Workshops - Marketing, counselling, training of trainers.

o Awards (Fit Five)

Objective: Provide motivation to attract public participation; awards for completing levels of fitness.

Services: Consultative - re: local incentive programs, employee fitness, awards.
Resource Material - 800,000 brochures distributed.
Program - agents and government operate.
Promotion - advertising in newspapers, radio, special promotions.

o Promotion

Objective: To offer fitness motivational messages and materials through communication channels; promotional support for component programs.

Services: Consultative - counsel community clients on fitness promoting strategies.
Resource Material - 500,000 fitness pamphlets produced by outside suppliers, distributed brochures, posters, films available to agencies and public; newsletter.
Media Expenditures - 5 T.V. commercials; $130,000 for T.V./Radio; $15 million free prime air time.

o Research and Evaluation

Objective: Provision of information, about the impact of Fitness Ontario programs and of fitness of Ontario to residents, Ministry staff and to the community in order to improve the quality of programs.

Services: Consultative - Information/consultative assistance.
Internal Management
- Evaluation of the impact and effectiveness of Fitness Ontario programs.
- Research into extent of activity participation and strategies for increasing this (market research).
- Planning and policy development.

Grants

o Resource Services

Objective: To assist local agencies in design and delivery of fitness programs.

Services: Consultative - program ideas, design, identification of resources, contacts and referrals.
Resource Materials
Clinics

- Community Projects

Objective: Support local and provincial fitness projects.

Services: Base grants to sponsoring organizations.

- Wintario

Objective: Community fitness grants (funding) to support development of local projects.

Services: Grants - each client now has to go through its assigned Community Programs consultant for grants.

ii) **Sport Services**

Objective: Encourage sport development and sport programs, primarily through SGB's but also through colleges, universities, OFSSA, disabled, etc.

Services: Financial Accountability, Participation Development, Volunteer Development, Training of Professionals and Volunteers, Management of a Business, Financial Support, Consultative Support, Organizational Development.

This section is made up of two units: sports programs and sports development.

Sports Development Unit

Programs

- Able Bodied Provincial Games

Services:
- Capital grants for permanent physical structures to organizing committee.
- Operating grants.

- Disabled Games

Services:
- Capital and operating grants to organizing committees.

- Canada Games
  - Grants are given to SGB's.
  - Terms are for training and competitions for selected athletes.
  - Team development and selection.

- Regional Development
  - Direct funding and co-ordination with local organizations performed through:
  - Direct grants to SGB's for regional developments oriented to organizational development.
  - Financial support for specific regional programs identified by the community programs branch, either multi-sport or not specific to any SGB.
  - The NE and NW regional multi-sport councils supported like a SGB.

- Coaching Development

  National Coaching Certification:

  Services/Activities:

  Theory: Training course, funding support, recruiting host sites (200).
  Technical: Consultative role with SGB's (60-70)
  Wintario Grants: Administration of:
    1) Coaching as Career.
    2) Volunteer Coaching.
  Seminar: Provincial coaches.

- Travelcade

  Services:
  - Mobile Sports Resource Centre - technical, motivational material pertaining to 60 SGB's - i.e., print and AV.
  - Technical clinics

  PR: Visit service clubs, appear on T.V. and radio, local media, meet with Sports Councils, etc.

- Awards: Special achievement award certificates, citations, etc. presented at the annual banquet.

Sports Program Unit

Programs and Services

i) Policy Development
ii) Organizational Development - financial assistance, consultation, coordinator Wintario.
iii) Special Programs
    Elite Athlete Program
    Sport Development Centres
    T.I.S.A.

Activities of Consultants

- Consult with SGB's
    - Financial
    - Management
    - Grant Recommendation
    - Wintario (approve SGB for receipt of $)

- Each consultant has 8-10 sports.

- Organizational Development
    - Planning
    - Structure
    - Conflict Resolution

- Other
    - Policy Development Committees

iv) Wintario

- Provides matching funds for SGB's. 50% of eligible costs.
- Seven categories: Championships
    Hosting
    Participation Development
    Coaching Development
    Pilot Projects
    Equipment
    Fiscal Development.

- Ontario Sport Administrative Centre

Objectives: - Centre to become major vehicle for program and sport development.

- Presently static administrative role. Will broaden that mandate and include services that do not compete with the SGB's and are multi-sport in execution.

- Board of Directors to be expanded to include members of corporate community.

- Ministry will make 4 out of 7 appointments.

- Receive government financial and moral support.

B) RECREATION BRANCH

Objective: To ensure opportunities and resources available for Ontario residents to pursue recreation activities appropriate to their needs and interests.

Services and Programs

i) **Leadership Services**

Objectives and Services: To develop leadership skills within recreation groups:

1) Human resource development
   - o Training of volunteers and professional staff
   - o Consultative services of staff
   - o Financial assistance through community programs, organizations
2) Organizational development
   - o Direct funding and staff consultation
   - o Consultants hired
3) Leisure Education
4) Resource development: audio visual and print materials to support human resources development, organizational development and leisure education.

ii) **Recreation Services**

Objective: Specialist consultative services; development of resource materials, financial assistance.

Programs

o Community Recreation

Objectives:
- To assist municipal and provincial organizations
- To assist in recreation certification

Services:
- Consultative and informative - conferences, workshops
- Contacts and comparison models to co-operative and co-ordinated planning systems
- Printed resources
- Financial assistance

o **Recreation Research**

Objective: To assist municipal recreation departments and staff and other local, regional and provincial organizations in planning for/or conducting research studies and program evaluations for all aspects of recreation.

Services:
- Consultative services in research planning and implementation
- Provide contacts in the areas of related research
- Financial assistance on recreation research projects

o **Leisure and Older Adult**

Objective: To meet recreational needs of older adult; improve leadership, awareness, skills, resources, etc.

Services:
- Consultative
- Printed and A.V. Resources
- Workshops
- Financial Assistance for innovative projects re: leisure (local levels)
- Financial assistance for provincial organizations

o **Recreation and Disabled**

Objective: Assist disabled persons in leisure activities

Services:
- Consultative
- Printed and A.V. Resources
- Assistance special projects, e.g., Kids on the Block.
- Financial assistance for training, promotion.

o **Outdoor Recreation** Portfolio currently under review.

iii) Camping and Outdoor Education Services

Objective: Development of outdoor skills, leadership of potential youth leaders.

Services:
- Consultative Services
- Planning Assistance - conferences, workshops
- Financial Assistance.
- Access to contacts and resources
- Resources: manuals, publications, A.V. resources.

Programs

- o Ontario Camp Leadership Centre (Bark Lake)
  - Skill Development Programs - some user fees.
  - Leadership Development Programs
- o Specific Projects/Users of Camping and Outdoor Education Services

EXECUTIVE TRAINING
- Royal Lifesaving Ontario
- Outward Bound
- Pony Club (going to sport)
- Camp Directors Workshop

DIRECT CONSULTING
- Training/hiring consultants (internal-external)
- Grants in aid to non-profit camps administered by government

GRANTS TO PROVINCIAL ORGANIZATIONS
- Ontario Camping Association
- Outdoor Education of Ontario
- Ontario Rock Climbing

iv) Community Planning and Facilities

Services:
- Develop specific resource materials.
- Input into municipalities in master plans and facilities management.

C) COMMUNITY PROGRAMS

Services - Policy and Planning:
- Delivery of Division's programs
- Financial Planning
- Interpretation of Provincial Legislation
- Municipal Planning

- Staff Training and Development
- Grants - administer various capital and program grants
- Resource accessing
- Variety of special purpose task forces.

SECTION 3

STAFF

A SUMMARY SHEET

3) ACTIVITIES OF STAFF MEMBERS - SUMMARY: ESTIMATED TIME ALLOCATIONS

			Percent
o	Sports & Fitness (Director)	Sports	66
		Fitness	34

e.g. o Sports Development - Games take disproportionate amount of time over regional developments.

Sports Travelcade/ Awards - 50% of time on Travelcade; 50% on awards.

Coaching Development - 65% of time to coaching certification; 35% to Wintario grant administration.

e.g. o Sports Program
- 65% to consulting with primary clients (SGB's)
- 15% to Unit, Branch, Ministry administration
- 20% to regular routine administration

o Recreation Branch

e.g. Leadership Services

		Percent
(head)	Projects and Management	50
	Provincial Organization Consulting	30
	Leisure Education	10
	Regional	10
(consultants)	Local/Regional Groups (Consulting)	60
	Projects	30
	Administration	10

e.g. Recreation Services

(head)	Consulting/advising	70
	Committees/in-house management	30

o Community Programs

Each area: Regional Manager, Regional Administrative Officer, District Supervisor, Field Consultant and some areas (grants offices).

SECTION 4

TIME ALLOCATIONS OF STAFF

Branch/Unit/ Program	Respondent Name/File	Activities (general)	Admin.	Consult.	Resources	Conferences	Financial	Prof. Staff	Support	Contract	Staff Responsibilities
Assistant Deputy Minister's Office	R. Secord	- Co-ordinator of Division - Policy - Grants administration - Research transfer grants						4	3		
Recreation Division											
RECREATION BRANCH	R. Wittenberg, Director							4	1	1	
Leadership Services	B. Tomasik, Head	1) Human Resource Development - training - volunteer leader and professional staff including marketing, fund raising. 2) Transfer grants - through Community Programs or directly through organizations. 3) Organizational development - direct funding, staff allocation. 4) Leisure Education 5) Resource Development - AV, manuals.						5 Head & 2 Consultants	1	0	Consultants - 10-15% admin. 60% regional/ local groups. 25-30% project by project. Head: Leisure Educ. 10%, Prov. organizing of material 25-30%, Regional 10%, 50% projects & management.
Recreation Services	Position Vacant	Community Recreation Recreation Research Leisure & Older Adult Outdoor Recreation Recreation & Disabled Persons						4	2½	6	Each consultant's own budget for contract. 70% = consulting, advising, info. 30% = advisory committees, in-house management

Branch/Unit/ Program	Respondent Name/File	Activities (general)	Admin.	Consult.	Resources	Conferences	Financial	Prof. Staff	Support	Contract	Staff Responsibilities
Community Planning	J. Shipman, Researcher	- Develops specific materials. - Input into municipalities in master plans and facilities management.							½ sec.		N/A
Camping & Outdoor Recreation Services	D. Walter, Head	Executive - Royal Lifesaving Ontario - Outward Bound - Pony Club (going to sport) - Camp Directors Workshop						1	6	93	Professionals co-ordinate and manage Support/Contract 2 Secretaries 3 Maintenance/Bark Lake, 70 Seasonal (laborers, cleaners, instructors, doctors, secretaries 1 Merger (Bark Lake) 6 Kitchen staff
		Bark Lake - Operation and Program Grants to Provincial Organization - Ontario Camping Association - Outdoor Education of Ontario - Ontario Rock Climbing Organization Direct Consulting - Training/hiring Consultants - Grants in Aid to Non-profit Camps Administered by Government									6 Experience '83 Program 4 Maintenance 2 Programs 2 Consultants/Staff Staff Training

Branch/Unit/ Program	Respondent Name/File	Activities						Prof. Staff	Support	Contract	Staff Responsibilities
		(general)	Admin.	Consult.	Resources	Conferences	Financial				
COMMUNITY PROGRAMS	Regional Managers	Recreation Consultant - Program Delivery - Interpretation of Provincial Legislation - Staff Training and Development - Leadership Development - Direct and Indirect - Municipal Planning - Various Grants & Service Various Arms of Ministry						64	35	22	(3 day @ week)
								e.g., each area: - Regional Manager - Regional Admin. Officer - District Supervisor - Field Consultant - Grants Officer (some regions)			
		Administrative - 18 Office Network - 15 District Supervisors - liaison offices									
		Task Forces - Special Projects									

Branch/Unit/Program	Respondent Name/Title	Activities	Staff: Professional	Staff: Support	Staff: Contract	Staff Responsibilities
SPORTS & FITNESS BRANCH Administrative Unit	J. Halstead, Director	- Administration, commercial - Planning, Human Resources, Competitor Development, Regional Development, Special Development Project				
		- Responsible for Administration Unit, Fitness Unit, Sports Services - Objective to ensure needs of participants are met through the Provincial Sport Associations - Support Unit to assist 2 functional units. - Activities: Travel Supplies Administrative Support Budgeting/Accounting		1		Director - 2/3 of time with Sports Services - 1/3 to Fitness.
Sports Development Unit		- Runs all direct programs	20	7		
Ontario Games Disabled Games Canada Games Regional Development	B. Farrow, Manager Regional Development and Games	- Canada Games - building a Canadian team - Regional Development - direct funding and co-ordination with local organizations performed through:	2	1		1-Disabled and able-bodied games 1-Rest
		1) direct grants to SGB's for regional development oriented to organizational development 2) Support for specific regional programs identified by Community Programs Branch, that are multi-sport or not specific to any SGB 3) The NE and NW regional multi-sport councils are supported similarly as a SGB	The 2 multi-sport councils 1 Exec. Dir. & 1 coaching development co-ordinator each	1 Secretary		Games take majority of time
1985 World Masters Tournament		- Special projects				
Ontario Sports Travelcade	J. Kaplan, Head Program Co-ordinator	- See attached document Advanced Person: organize, detail work, pays for hydro inspector, overhead wires Instructors: teach 8:30 - 5:00, greet visitors 6:30 - 9:30, housekeeping, loading	4 Advanced Person 3 Instructors	1 Secretary 4 clerks ½ time	Sometimes instructors & 4 co-op students at SPORTSMAN SHOW + 1 person for experience '82 (2½ months)	50% of time on Travelcade; 50% on awards

Branch/Unit/Program	Respondent Name/Title	Activities	Staff: Professional	Staff: Support	Staff: Contract	Staff Responsibilities
Provincial Sports Awards Programs	J. Kaplan, Head	- Recognize athletic excellence through a certificate award	½	½ sec.	1 @ 8 mo. security (2½ months)	Head co-ordinators and administrators
Coaching Development	C. Miller, Coaching Development Co-ordinator	1) National Coaching Certification - theory: recruiting host sites, training course conductors, administration, funding support, technical: consultative role with SGB's - 200 host communities, 60-70 SGB's trying to involve B of E. 2) Administering Wintario Grants - career and volunteer coaching development; consultative and SGB's 3) Provincial coaches seminar	2	1	2 - Regional coaching - Co-ordinators Sudbury/ Thunder Bay - Also report to multi-sport councils	Coaching certification = 65% of time, Wintario = 35%
Sports Programs Unit	J. Bradley, Co-Head	- Programs to the public or specific provincial organizations	5	2 + 2 = 4 shared	1 1	Contract Sport Policy Sport Incentive Fund T.I.S.A.
	J. Thorson, Co-Head	- $4.8 million divided between the sports and other agencies (not individual salaries) - Each consultant has 8-10 sports - Encourages sport development and programs, primarily SGB's but also community colleges, universities, OFSSA, disabled, etc. - Functions: financial accountability, participation development, volunteer development, training, business management, financial and consultative support	20	7		
		Organizational Development - Financial assistance - negotiations - Consultations - Co-ordinator Wintario *65% to consulting primary clients *15% to unit, branch, Ministry administration *20% to regular routine administration	5	2		

Branch/Unit/Program	Respondent Name/Title	Activities	Staff: Professional	Staff: Support	Staff: Contract	Staff Responsibilities
		- Policy development - Special programs *Elite Athlete Assistance *Sports Development Centres Consultants 1) Consult with SGB's financial, management, grant recommendations, Wintario 2) Organizational Development - planning, structure, conflict, resolution 3) Other - policy development; committee (20 extra committees that consultants sit on)				Secretary - shared Contract - Sport policy - Sport incentive fund
Wintario	J. Thorson	Provide matching funds for SGB activities	+ Vic Sanders (EO) who assists consultants	4		Administration of grant requests

Branch/Unit/Program	Respondent Name/File	Activities	Staff: Prof.	Support	Contract	Staff Responsibilities
Recreation Division						
Fitness Services Section	G. Smith, Head	- To encourage Ontarians to become more physically active	8	3		(acc to Halstead) (acc to Smith)
Employee Fitness		- Major conference on employee fitness - 100 companies sent senior management. - Target 18+ years old - 15-18% of Ontario companies with 50+ employees have a fitness program. - Impact of employee fitness - decreased absenteeism. - Increased production, increased health --- reduction in employee share of workman's compensation, insurance, etc., $ savings.				
FitFive						
Grants Resource Service	Objective/secondary mass participation 200,000 applications 2,000 distribution points, goal 300,000	- 40,000 registration/178 companies involved. - 800,000 brochures - distribution points: libraries, recreation departments, ski resorts, universities, colleges, fitness agencies, widespread publicity in Fit News, etc., newspapers, radio - co-promotion within. - To 3 regions; region selected because has a number of small communities with very few staff and limited expertise. - Extension of Ministry at local level - a delivery system provides devices, information, materials, referrals.				

Branch/Unit/Program	Respondent Name/File	Activities	Staff: Prof.	Support	Contract	Staff Responsibilities
Wintario		- Community grants. - Wintario was a program by itself. No longer separate. Each grant application will now have to go through its assigned consultant for all grants. - Grants stimulate economy by encouragement of spending, e.g., equipment, rent facilities, building facilities -— user fees.		5		
Promotion		- 5 commercials on T.V. - Expenditures of $130,000 T.V./radio. - Commercials have received an estimated $15 million of free air time (prime time, women). - Effect = participation greater - Effect of participation = purchase equipment; user fee; institution fees; transportation.				
Fitness		- Fitness pamphlets - 500,000 distributed to schools, Y's, general public. - Pay people to distribute them to supermarkets. - Outside suppliers used in production of fitness pamphlets.				
Leadership Training		- 32-hour course for fitness leaders. - 15-20 per year. - Attract employees, volunteers from Y, recreation centres. - 28 qualified instructors certified to train trainers. - Specialty programs, e.g., fitness during pregnancy, use of music. - Fitness marketing seminars - 7-8 conducted, user fees. - Government = 50% of costs.				

SECTION 5

CLIENTS AND USERS

5) CLIENTS AND USERS

A) SPORTS & FITNESS BRANCH

		Clients	Users
Fitness Services	Promotional	Public at Large Municipal Recreation Depts. YM-YWCAs, YMHAs Educational Institutions Employers Fitness Agencies Colleges/Universities	Membership
	Employee Fitness	Conference Attendees 100 Companies/Management Working Adults Employer/Employee Groups	Employees
	FitFive	Adult aged population (200,000 target) Registered Adults (40,000) Companies (178) Fitness Agencies	
	Professional Development	Fitness Leaders in Y's, Municipal Recreation Depts., Private Clubs, Employee Fitness Programs Trainers of Fitness Leaders Professionals Working in Fitness	Membership
	Resource Services	Fitness Delivery Organization Offering Fitness Programs	
	Research	Ministry Managers Community Fitness Agencies	

A) SPORTS & FITNESS BRANCH (continued)	Clients	Users
Sports Services (general)	Public at Large	
	SGB's (72)	Colleges High Schools Y's SGB Members Public at Large Athletes, Coaches, Managers Administrators, Spectators
	Educational Institutions	
	Communities/Municipalities	Local Volunteers
	Organizing Committees	Local Sports Clubs Politicians Coaches, Athletes
	Sports Councils	YMCA Boards of Education Regional SGB's Coaches, Athletes
	Regional Sport Organization not Affiliated with SGB's	Athletes
	Regional Councils for Sport for Disabled	Disabled Athlete Municipalities Spectators, Public at Large

A) **SPORTS & FITNESS BRANCH (continued)**	**Clients**	**Users**
Ontario Sports Travelcade	Community Colleges Parks and Recreation Depts. Elementary Schools Social Agencies Church Groups Industry, i.e., Corporations Libraries Penal Institutions Mental Retardation Centres Universities High Schools Hospitals	General Public

81/82
# of community clinics = 39
# of school visits = 121
# of clinic participants = 13,173
# of visitors to van = 20,521

Total # of residents reached = 374,341

B) RECREATION BRANCH

	Clients	Users
Leadership Services	Community Programs Staff	Agencies (Y, Leisure councils, libraries) Municipalities Volunteer & professional recreationists
	Provincial Organizations	Municipalities Community-based affiliates
Recreation Services	Field Staff (other Ministry staff within Division) Provincial Organizations, e.g., ORCOL, ORS, SDMRO that are the Parks and Recreation Federation of Ontario	Professionals, volunteers working in recreation field at community level. Ad hoc groups Community groups, e.g., CGIT, 4H
	Senior Centres Association	Sr. Citizens
	Hostelling	
	Provincial organizations, e.g., OAMR	Disabled persons
Camping and Outdoor Education	Provincial Organizations	Membership General Population Conference Delegates
	Non-profit Camps (125; 20,000 children)	Campers Staff Sponsoring Organization
	Ontario Camp Leadership Centre - Bark Lake	Campers (3,200 in 1983) Leaders
Community Planning	Other Ministry Staff	
	Municipal Recreation Depts.	
	Professional Groups - planners, architects.	

	Clients	Users
C) Community Programs	Municipalities - council	Community groups, e.g., Minor Hockey, Girl Guides, recreation committees
	Recreation Dept. Staff	Not for Profit Corporations e.g., Cottage Assoc., Senior Citizens
	Indian Boards - Local Service Board	
	Unorganized Townships (school boards)	Schools, Colleges, Universities

SECTION 6

PROGRAM AND IMPACT SUMMARY CHARTS

SUMMARY - SPORT AND FITNESS BRANCH - ACTIVITIES 82/83

	Program	Sample Impact
Fitness Services Section	Employee Fitness	100 Corporations
	Professional Development	28 Instructors Employee Fitness - 100 Attendees 15-20 Courses Per Year for Leadership Training Marketing Fitness - 7-8/Year
	Resource Materials	Trainer's Manual - Leadership Development 800,000 FitFive Brochures 500,000 Fitness Pamphlets Research Reports
	FitFive	Other Counselling - 200,000 adults - 178 companies
	Promotion	T.V. Commercials 5 Commercials ($130,000 - $15 million equivalent) Employee Fitness
	Consultation	Assist Local Fitness Agencies

Sport Services Section

Sports Program	**Sample Impact**	
Grants	Provincial Sport Governing Bodies Regional Sports Councils	72 SGB's 2 RSC
Resource Materials	Coaching Certification Materials	
Conferences/Workshops	Coaching Certification Clinics - 200/year	
Consultation	72 SGB's Regional Sports Councils Financial/Management Organizational	
Sports Development		
Games	Disabled Games Able Bodied Games Canada Games	
Regional Development	Sport Governing Bodies Regional Sports Councils	
Ontario Sport Centre	70% of Budget from MTR	
Travelcade	Resource Unit for 60 SGB's	

SUMMARY - RECREATION BRANCH - ACTIVITIES 82/83

- **RECREATION BRANCH**
  - Grants
    - Provincial Recreation Associations
      - 19 Organizations e.g., Ontario Rec. Society, OMRA, ORCOL, etc.
    - Recreation Development Programs
      - 2 Demonstration Projects
      - 5 Leisure Education Training Seminars
      - 40 Leadership Training Events
      - 9 Projects on Pre-retirement
      - 15 Regional Workshops for Training Volunteers/Staff
      - 6 Publications
  - Resource Materials
    - 20 Recreation Bulletins
    - 6 New Resource Manuals
    - Training Manual
    - 1 French Language Resource
  - Conferences, Workshops, Seminars
    - Planning Assistance to Canadian Camp Association International Congress
    - 50 Workshops - Train Volunteers and Professionals
  - Ontario Camp Leadership Centre
    - Student, Adult, Leaders Use - Approx. 3,000
    - New Orienteering Area Use - Approx. 3,100
    - Francophone Programs
    - Workshops for Older Adult/Multi-cultural Organization
    - Workshops for Ontario Pony Club Association Members
  - Certification of Municipal Recreation Professionals
    - 150 Certificates
    - 500 Candidates
  - Research
    - 10 Projects
  - Consultation
    - 2,500 Consultations
    - Evaluation of Recreation for Disabled Portfolio
    - Policy Statement

SUMMARY - COMMUNITY PROGRAMS - ACTIVITIES 82/83

COMMUNITY PROGRAMS

- Grants
  - Wintario Capital
  - Wintario Program
  - C.R.C.A.
  - Reg. 653 to Municipalities
  - Community Planning
- Other
  - Delivery of Many of the Programs of Sports & Fitness and Recreation Branches

SECTION 7

ROLE AND USE OF VOLUNTEERS

VOLUNTEERS

Branch/Unit/Program	What They Do	Hours Spent	Supplement or Replace Staff	Spend Own Money?	Amount Spent	What Spent On
Sports & Fitness Branch						
Fitness Services	- Yes, used - but no statistics on them - Most agencies use mix of - volunteers and paid staff - Paid staff at senior management level/direct programs			- Volunteers who teach may get small amount of money to cover expenses		
Sports Development Programs	- Strength of the program					
Abled	- 3,000 volunteers					
Disabled	- 1,500 volunteers					
Canada Games	- Coaches, managers, are all volunteers - Boards of each SGB who set policy are voluntary					
Regional Development	- Grants structured to develop volunteer organizations					
TISA Conference	- Leadership training, regional and provincial					
Ontario Sports Travelcade	Use Volunteers (see user list on itinery)					
Sports Awards	- Banquet has 50 volunteers; registration, greetings - 5 hours each year		NO	-	- Yes, $5 each travel, parking	

VOLUNTEERS

Branch/Unit/Program	What They Do	Hours Spent	Supplement or Replace Staff	Spend Own Money?	Amount Spent	What Spent On
Sports Programs	- Yes, see SGB case study					
Coaching Development	- Yes, 40,000 people have taken the program (19-20,000 in theory)	- No real data				
	Courses: pay instructors - Users pay a fee - Government assists if host site doesn't break even - Host sites for courses use volunteers/minimal registration fee	Impact: $ spent on course, therefore who took course --- cost us $X amount to train them - each of them needs X athletes each - 106 coaches paid last year through Wintario - Volunteer grants - were real grass roots grants - get nipple effect				

VOLUNTEERS

Branch/Unit/Program	What They Do	Hours Spent	Supplement or Replace Staff	Spend Own Money	Amount Spent	What Spent On
Community Programs, Sports and Recreation Division						
Leadership Services	- Many are recipients of program i.e., users in recreation; volunteers in communities/executives in organizations - Boards of directors, policy decision-makers are usually volunteers		- Supplement face to face activity leaders - Depends on organization, e.g., Boy Scouts - Y's do not replace staff	- Registration for conference, own travel, seminars		- Manuals/resource materials - Registration fees for training and development - Incidental out-of-pocket expenses
Recreation Services	- The exception is OMRA - ORS have full time but the majority are voluntary - Board of Directors - Standing Committee - organizing communication	- Never requested this data, e.g., board: monthly meetings are a day in length and preparation, i.e., 1 day/week	- Yes, as none of the organizations have sufficient paid staff to deal with the program	- Yes, there is an effort to ensure people not out-of-pocket, however, the $ may come from the organization		- Telephone, postage, incidental travel and meals in regions
Camping & Outdoor Education Services	- Decision making - Contribute to professional development	- 3 days/week to few hours	- Supplement	- Yes, gas, meals at committees, etc.	- Parents spend transportation costs	
Community Planning	- Volunteer recreation committees in small communities					

SECTION 8

SUMMARY DEFINITION OF USER GROUPS

Branch/Unit/Program	Clients	Users: Primary	Secondary	Tertiary	Comments re: Fees Etc.
Sports & Fitness Branch Administrative Unit					
Fitness Services	- Public at large - Municipal Recreation Departments - YM-YWCAs, YMHAs - Educational institutions - SGB's - Fitness agencies/institutions, private sector (corporations) - Commercial enterprises, e.g., Vic Tanny's - Other governments - Other departments in own government (Natural Resources, etc.) - Fitness Practitioners	All those who use the services offered by each institution			
Sports Services	- Public at large - SGB's (72) - Educational Institutes - Communities/ municipalities - Schools				
Sport Development Unit	- SGB's	- Administrators, spectators, athletes, coaches, managers - Public at large			
Games and Regional Development	- Municipalities, organizing committees	- local volunteers - local sports clubs - coaches, athletes - politicians			

Branch/Unit/Program	Clients	Users: Primary	Secondary	Tertiary	Comments re: Fees Etc.
Games and Regional Development (continued)	- Sports councils	- YMCA and similar organizations, boards of education, universities, regional SGB's, coaches, athletes			
	- Regional sport organizations - not affiliated with a SGB	- Athletes			
	- Regional councils for sport for the disabled	- Disabled athletes - Municipalities - Spectator, public at large			
Ontario Sports Travelcade	- Parks & Recreation Dept. - Elementary schools - separate and public - Social agencies - SGB's - Church groups - Industry - Libraries - Penal institutions - Mental Retardation Centres - Universities - Univ. Western Ontario Mustang Days - High Schools - Hospitals (Greater Toronto)	- Teacher and P.E. co-ordinator, general public			- Services free except electrical hook-up and hydro - Hook up: 0-$300 Hydro = $20 Repairs - local electrician - Total of 50 visits/year from 20 days to a week

Branch/Unit/Program	Clients	Users: Primary	Secondary	Tertiary	Comments re: Fees Etc.
Sports Awards Programs	- Club SGB's				
Coaching Development Co-ordinator	- SGB's - Universities, colleges, secondary schools, private sports clubs, YM-YWCA's, recreation departments, sports camps	- Coaches Delivery systems for programs	Comments: - Educationally NCCP is used as a curriculum item, adult education program, option at sports camps, etc., professional development day program. - Provincial Associations meet with Coaching Association of Canada (CAC), provincials buy in and deliver programs. Ontario buys all materials from Ottawa.		
Sports Programs	- SGB's - 72 - community colleges		- Secondary SGB members - Teams, members, participants (3 SGB's) High Schools YMCA's	- Tertiary Universities (3 SGB's) Community colleges	
Wintario	- SGB's	- Members			

Branch/Unit Program	Clients	Users Primary	Users Secondary	Users Tertiary	Comments - Re: Fees, Etc.
Recreation Branch					
Leadership Services	1. Community programs	Municipalities, local agencies, Y's, leisure council, libraries	- Public at large - Volunteers and professionals working at the community level - Community groups - Local affiliate organizations		
	2. Provincial organizations	Municipalities			
Recreation Services	1. Field Staff (other Ministry staff within the division)	Professionals, volunteers, working in recreation field at community level			
	2. Provincial organizations, ORS, SDMRO Federation, ORCOL * Senior Centre Assoc. * Leisure learning opportunity for older persons * Hostelling * Disabled persons	Senior citizens at various centres Disabled people Community groups, e.g., 4H, CGIT, etc. Ad hoc groups that learn about our services			Many groups have user fees and purchase supplies
Camping and Outdoor Education	1. Provincial organizations	Memberships General population Conference delegates			
	2. Non-profit camps	Campers Staff Sponsoring organizations	Bus drivers Suppliers of food and equipment Post office Hospitals	Gas, oil Heating and cooking oil/propane Clothing/T-Shirts Health and safety inspector Sanitation trucked in Town sewage Town dumps	
	3. Bark Lake	Campers (3,200 - 1983) Leaders	Building construction Wood Lot Management		

Branch/Unit Program	Clients	Users Primary	Users Secondary	Users Tertiary	Comments - Re: Fees, Etc.
Community Planning	1. Other Ministry staff 2. Municipal recreation departments 3. Professional groups - planners, architects	Construction companies			
COMMUNITY PROGRAMS	1. Municipalities - Council - Recreation Committee 2. Recreation Department staff - other departments 3. Indian bands - Local service board 4. Unorganized townships (school boards)	Community groups, e.g., Minor Hockey Girl Guides Not for profit corporation e.g., Cottages Association senior citizens groups Schools, colleges, universities			

SECTION 9

BUDGETS/TRANSFERS/MATCHING FUNDS

SUMMARY: ASSISTANT DEPUTY MINISTER'S OFFICE
BUDGET AND TRANSFERS 83/84

Transportation and Communications	$ 38,000
Services	51,500
Supplies and Equipment	54,000
Research Grants	77,400
Wintario Program	5,310,000
Grants for Municipal Programs of Recreation	5,201,600
Wintario Capital Grants	22,500,000
Capital Grants for Community Facilities	4,593,000
Lottario Grants	1,000,000

	Total Budget	D.O.E.	Transfer
Fitness Services			
Co-ordinator	$ 69,500	$ 69,500	
Community	125,500		$ 125,500
Evaluation	117,000	117,000	
Promotion	287,850	287,850	
Employee Fitness	97,000	97,000	
Professional Development	295,645	193,145	102,500
FitFive	145,000	145,000	
Youth	162,905	162,905	
TOTAL FITNESS	$ 1,300,400	$ 1,072,400	$ 228,000
Sports Services			
Administration (Director)	$ 164,900	$ 164,900	--
Ontario Games/Sports Festival/ Canada Games	713,000	63,000	$ 650,000
Regional Development	250,000	--	250,000
Coaching Development	235,000	210,000	25,000
Travelcade	140,000	140,000	--
Awards	70,000	70,000	--
Athlete Assistance	260,000	--	260,000
Sports Development Centre	175,000	--	175,000
TISA	35,000	--	35,000
Other Special Programs	144,000	--	144,000
Grants to SGB's	4,450,000	--	4,450,000
Grants to OSAC	2,600,000	--	2,600,000
TOTAL SPORTS	$ 9,236,900	$ 647,900	$ 8,589,000

1983/1984 BUDGETS (Excluding Salaries and Wages, Benefits)

SPORTS AND FITNESS BRANCH

- Sports & Fitness $10,537,300
  - Fitness Services $1,300,400
    - D.O.E. $1,072,400
      - Administration $69,500
      - Employee Fitness $97,000
      - FitFive $145,000
      - Promotion $287,850
      - Research and Evaluation $117,000
      - Youth $162,905
      - Professional Development $193,145
    - Transfers $228,000
      - Professional Development $102,500
      - Community Programs $125,500
  - Sports Services $9,236,900
    - D.O.E. $647,900
      - Administration $164,900
      - Games and Festivals $63,000
      - Coaching Development $210,000
      - Travelcade $140,000
      - Awards $70,000
    - Transfers $8,589,000
      - Games and Festivals $650,000
      - Regional Developments $250,000
      - Coaching Development $25,000
      - Athlete Assistance $260,000
      - Sports Development Centre $175,000
      - TISA $35,000
      - Other Special Programs $144,000
      - Grants to SGB's $4,450,000
      - Grants to OSAC $2,600,000

SPORTS AND FITNESS BRANCH

Budget Allocations/Transfers

- o Budget for 82/83 was $1.2 million for fitness and $8 million for sport (for 83/84 is $1.3, $9.2).
- o Wintario is no longer separate; each client will now have to go through its assigned consultant for all grants including Wintario.
- o Sports Program Unit has transfers only; no direct operating expenses (see Budget summaries).
  - 38% or $4.4 million of total amount spent by SGB's comes from Provincial Government.
- o Sports Development Unit. Direct funding and co-ordination with local organizations performed through:
  1) Direct grants to SGB's for regional development - especially organizational development.
  2) Support for specific regional programs identified by the Community Programs Branch that are either multi-sport or not specific to any SGB.
  3) The NE/NW regional multi-sport councils are supported in some way.

e.g. of Funding:

i) Provincial Games (abled)

(Transfer grants to Organizing Committees)	- $500,000/games occurs every 2 years - Approximately $100,000 for capital permanent physical structures (to be matched by community)

ii) Disabled Games

(Transfer grants to Organizing Committees)	- $150,000/year

iii) Canada Games

(Transfer to SGB's) - $370,000 per set of games/every two years.

iv) Regional Development - $300,000/year
- 50% to regional activities, $100,000 of $150,000 to Sports Councils
- 50% to SGB's

v) Coaching Development - $25,000 to regional coaches

Other Monies

- o Organizing committees raise over 1/3 of their money from private sectors.

Matching Funds

- o Wintario has a matching formula.
- o Average sport gets 75-80% support.
- o Government pays for salaries and administration because this is a difficult area for fund raising.

Sports Services - Total Grants of $4.4 million

- o The grants to SGB's are used for:
  - Administration
  - Planning
  - Human Resource Development
  - Communications
  - Competitions Development
  - Regional Development
  - Special Projects

  Of the total amount spent by the SGB's, 38% to 43% is from the Provincial Government (in 1980/81).

- o The Ontario Sport Centre gets $2.6 million.
- o The Centre is to become a major vehicle for program and sport development; intent is to broaden mandate; board of directors to be expanded to include corporate community; the $2.6 million represents 70% of the total sport communities' budgets.

How Funds are Allocated

- Specific guidelines set out for support. Consultant becomes quasi expert in his/her sports, has intimate involvement and makes funding recommendations, e.g., Category/Association must have at least 200 individual members, comprising at least 10 affiliated groups, etc.

Matching Funds (source of)

- Seminars - government contributes 50% of costs.
- Fund Raising
- Charges to Members

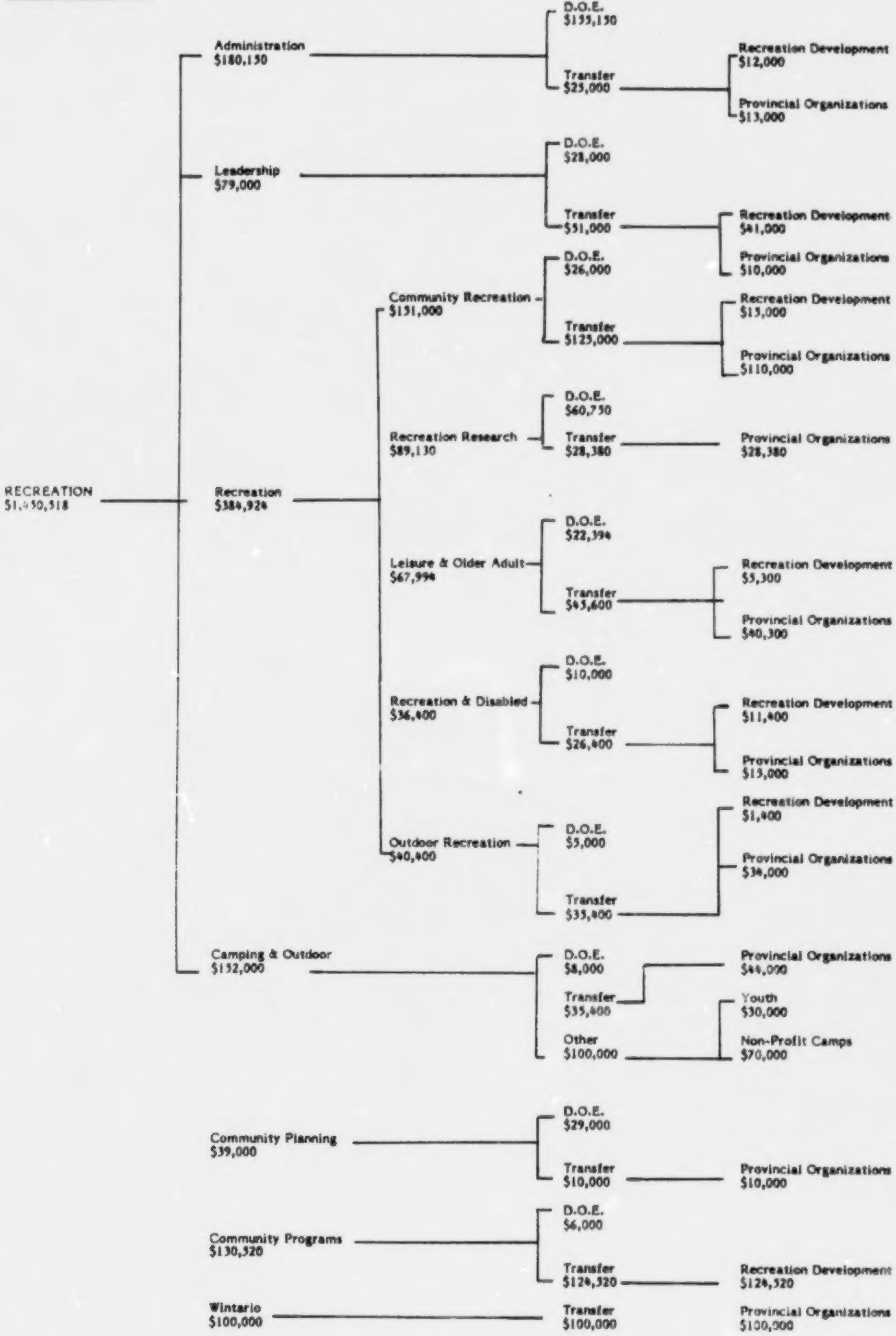
SUMMARY: RECREATION BRANCH - BUDGET AND TRANSFERS - 83/84

	Total Budget (excl. salaries)	D.O.E.	Total Transfer	To Recreation Development	To Provincial Organizations	Other Monies
Administration	$ 180,150	$ 155,150	$ 25,000	$ 12,000	$ 13,000	--
Leadership Services	79,000	28,000	51,000	41,000	10,000	--
Recreation Services	384,924	124,144	260,780	33,100	227,680	--
Community Recreation	151,000	26,000	125,000	15,000	110,000	--
Recreation Research	89,130	60,750	28,380	--	28,380	--
Leisure & Older Adult	67,994	22,394	45,600	5,300	40,300	--
Recreation & Disabled	36,400	10,000	26,400	11,400	15,000	--
Outdoor Recreation	40,400	5,000	35,400	1,400	34,000	--
Camping and Outdoor	152,000	8,000	144,000	--	44,000	-- * -- **
Community Planning	39,000	29,000	10,000	--	10,000	--
Community Programs	130,520	6,000	124,520	124,520	--	--
Wintario - Recreation	100,000	--	100,000	--	100,000	--
TOTAL	1,450,518	474,438	976,080	243,720	632,360	100,000

* Youth

** Non-profit Camps

1983/1983 BUDGETS (Excluding Salaries and Wages, Benefits)
RECREATION BRANCH


RECREATION
$1,450,518
Administration
$180,150
D.O.E.
$155,150
Transfer
$25,000
Recreation Development
$12,000
Provincial Organizations
$13,000
Leadership
$79,000
D.O.E.
$28,000
Transfer
$51,000
Recreation Development
$41,000
Provincial Organizations
$10,000
Recreation
$384,924
Community Recreation
$151,000
D.O.E.
$26,000
Transfer
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Recreation Development
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Recreation Research
$89,130
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Transfer
$28,380
Provincial Organizations
$28,380
Leisure & Older Adult
$67,994
D.O.E.
$22,394
Transfer
$45,600
Recreation Development
$5,300
Provincial Organizations
$40,300
Recreation & Disabled
$36,400
D.O.E.
$10,000
Transfer
$26,400
Recreation Development
$11,400
Provincial Organizations
$15,000
Outdoor Recreation
$40,400
D.O.E.
$5,000
Transfer
$35,400
Recreation Development
$1,400
Provincial Organizations
$34,000
Camping & Outdoor
$152,000
D.O.E.
$8,000
Transfer
$35,400
Other
$100,000
Provincial Organizations
$44,000
Youth
$30,000
Non-Profit Camps
$70,000
Community Planning
$39,000
D.O.E.
$29,000
Transfer
$10,000
Provincial Organizations
$10,000
Community Programs
$130,520
D.O.E.
$6,000
Transfer
$124,520
Recreation Development
$124,520
Wintario
$100,000
Transfer
$100,000
Provincial Organizations
$100,000

Summary Total

D.O.E.
$474,438

Transfers
$976,080

Recreation Development
$243,720

Provincial Organizations
$632,360

Other Monies
$100,000

2) NUMBER AND TYPE OF STAFF - SUMMARY

	Total	Professional	Support	Contract	Wintario
Assistant Deputy Minister	9½	4	1½	--	4
SPORTS & FITNESS	44	31	12	1	--
- Director/Administrator		1	5	--	--
- Fitness Services		8	3	--	--
- Sports Services		22	4	1	--
RECREATION	119	10	10	99	--
- Director		1	--	--	--
- Leadership Services		3	1	--	--
- Recreation Services		4	2.5	6	--
- Camping & Outdoor Education		1	6	93	--
- Community Planning		1	0.5	--	--
COMMUNITY PROGRAMS	102	64	35	3	--
Total	**274½**	**109**	**58½**	**103**	4

SECTION 10

BUDGET BREAKDOWN BY FUNCTION AND USAGE

Branch/Unit Program	Total Budget	D.O.E.	Total Transfer	Transfer to Rec. Dev.	How Used	Transfer to Prov. Org.	How Used	Other Monies/ How Used
Recreation Branch								
Administration R. Wittenberg	$ 180,150	$ 155,150	$ 25,000	$ 12,000		$ 13,000		Discretionary - Feasibility Study re: Leisure Centre $30,000 - Monograph on Recreation Problems
Leadership Services	79,000	28,000	51,000	41,000	- New Unit - Pilot Projects	10,000		
Recreation Services	384,924	124,144	260,780	331,00		227,680		
Community Recreation	151,000	26,000	125,000	15,000	- Pilot Projects - $117,170 - Responsive Initiatives $5,000 - e.g., Parry Sound Help in Choosing Recreation Director - $10,000 - London - Develop Community Master Plan $8,000	110,000	- Community Recreation ORS-OMRA - ORS - (from $50,000 to $30,000; Balance To Go To Special Projects	
Recreation Research	89,130	60,750	28,380	--	--	28,380	ORCOL	77,400
Leisure & Older Adult	67,994	22,394	45,600	5,300	- Ad Hoc Basis Workshops Through Field Staff	36,160 Work Shops (through field staff) 40,300	- Hostelling - $8,000 - Ontario Adult Centre $15,000 (less in 83) - Leadership Learning Seminars - $5,000	
Recreation and Disabled	36,400	10,000	26,400	11,400	- Day Care Group in Newmarket Produce a Manual "Vanastia" Help on a Decreasing Basis to Hire a Co-ordinator for Services in Recreation.	15,000	- Youth Across Canada Leadership training and Development $15,000	

Branch/Unit Program	Total Budget	D.O.E.	Total Transfer	Transfer to Rec. Dev.	How Used	Transfer to Prov. Org.	How Used	Other Monies/ How Used
Outdoor Recreation	40,400	5,000	35,400	1,400	- Ontario Parks Assoc. Project to Document Case Study of Park Design for Disabled Access $2,000 - Federation of Ontario Hiking Trails Volunteer Training - $3,000 - History of Parks; Jack Wright - 2 Yr. Project $25,000	34,000	- Duke of Edinburgh Award - $20,000 - Federation of Ontario Hiking Trail Assoc. $6,000 - Harbourfront Playground (adventure education concept) $11,000	
Camping & Outdoor Education *(2 consultants)	152,000	8,000*	144,000			44,000		- Non-Profit Camps - $70,000
Ontario Camp Leadership Bark Lake: - operating - program	204,656	145,000 59,656			-Salary for Exec. Director and Technical Director - Rent		- Admin. of Organization - Publications newsletter - Member Service - Publicity - Office Rent & Supplies	
Other Non-profit Camps	70,000							
Recreation Youth	16,000							- Recreation Youth - $16,000
Community Planning	39,000	29,000	(10,000)	(10,000)	- Purchase of Services from Planners, Consultants			- $2 Million Since 1979 From Provincial Govts Comments in Management Training, Planning, (see Community Recreation, etc.)

Branch/Unit Program	Total Budget	D.O.E.	Total Transfer	Transfer to Rec. Dev.	How Used	Transfer to Prov. Org.	How Used	Other Monies/ How Used
Community Programs	130,520	6,000	124,520	124,520	- Hiring Resource people (professional fees) - Facilities and Accommodation for Workshop - Administration Costs Associated With Event - Select Circumstances: - Participant Travel - Regional or Provincial - Food and Accommodation	--		
Wintario - Recreation	100,000	Regional Admin. Includes: - rentals - hydro - vehicle operation - travel staff - publication - telecommunications - heat - cleaning contract - equipment service contract - resource material - translation - postage	100,000			100,000		

Branch/Unit/Program	Total Budget	D.O.E.	Total Transfer	Transfer To	How Used	Transfer To	How Used	Other Monies How Used
Sports & Fitness Branch								
Administrative Unit								
Fitness Services	- $1.3 million							
Sports Services	- $8.0 million - $2.6 million goes to Ontario Sports Centre - Centre to become major vehicle for program and sports development - Intent to broaden the mandate and include and provide services that do not compete with the SGB's and are multi-sport in execution - Board of Directors to be expanded to include corporate community - Government moral and financial support							
Sport Development								
1) Provincial Games (Abled)	- $500,000/game - Every 2 years - Approximately $100,000 for capital		$500,000	Organizing Committees				
2) Disabled Games	- $150,000/year		$150,000	Organizing Committees				
3) Canada Games	- $370,000 per set of games every 2 years		$370,000	SGB's (small amount witheld for administration)				
4) Regional Development	- $300,000/year - 50% to regional activities, $100,000 of 50% to sports councils, 50% to SGB's Sports Councils - guidelines are administration and program supervised closely in co-operation with the field officers		$300,000	Various Groups				

Branch/Unit/Program	Total Budget	D.O.E.	Total Transfer	Transfer To	How Used	Transfer To	How Used	Other Monies How Used
Ontario Sports Travelcade	- See attached sheet		No transfer payments	Expenses 40 to site 44 bring in someone special 100 not much		Services 39 clinics special instructor 54 repairs 72 brochures 106 rent xerox, materials for public at large 152 laundry on road 165 press kit/photos Van Drive/Van customized at $15,000		
Sports Program			82/83 4.3 million 83/84 $4,450,000	SGB on three of them SGB on three of them				
Athlete Assistance			$410,000					
Sports Awards	$80,000	$50,000 - Banquet $25,000 - $30,000 Supplies Kelly Girl - discretionary fund from Director						
Coaching Development	$235,000	$210,000	$25,000	Regional coaches				

Wintario Allocations:

1)	Organizational Development - OHDC - 4 development co-ordinators - $200,000		
	(Ontario Hockey Development Council) - Program Development - $100,000 - athletic trainers, injuries)	$	577,000
2)	Leadership Development - Coaching		950,000
3)	Public Education - Pilot Projects		200,000
4)	Fiscal Development - no longer exists		75,000
5)	Participation Development - demonstration clinics, skicade, paddlecade, mobile sailing school		
	staff, travel materials, equipment rentals		225,000
6)	Equipment - government maximum contribution resolution - 25% up to $5,000		1,000,000
			225,000
7)	Travel - $600,000 for provincial travel (gas, accommodation; no meals)		
	$400,000 - national travel		1,100,000
	*1983 - $1.25 million spent by 28 sports		
8)	Fitness - $400,000	$	4,752,000

Branch/Unit Program	How Funds Allocated	Matching Funds, etc. (Where Come From?)
Sports & Fitness Branch		
Administrative Unit Fitness Services	- Category 1: Conditional Client (Association - must have at least 200 individual members, comprising at least 10 affiliated groups, etc.) - Category 2: Full Client - in category for at least one year.	
e.g., Leadership Training		Seminars - government contributes 50% of costs.
Sports Services	Ontario Sport Centre	- Government funds the Centre $2.5 million, which represents 70% of the total sport communities' budgets. Other 30% from chargeouts to the SGB's for services rendered.
Sport Development Provincial Games		- Approximately $100,000 for capital - grant has to be matched by the community.
Sports Programs	Transfers only - no D.O.E.	- 38% of total amount spent by SGB from provincial government. - Mostly lotteries - Government never pays 100% - Wintario matching formula - Government pays more for salaries and administration - Average support 75-80%

Branch/Unit Program	How Funds Allocated	Matching Funds, etc. (Where Come From?)
Recreation Branch		
Leadership Services	Grants to municipalities to host workshops	50% (approx.) - negotiated on a project basis - matching funds come from registration fees, local organizations and municipalities - government usually covers resource person fees
Recreation Services	- Always to organizations - not individuals - Levels of Recognition A) Established multi-disciplines provincial or umbrella organization B) New multi-disciplined provincial organization/single discipline provincial organization/Regional Recreation Association. e.g. Provincial - Girl Guides - Boy Scouts - Council of Outdoors of Ontario Regional - NW Ontario Professional Recreation Society - Adventure Education Concept C) Organization with recreation as secondary objective e.g. The Big Sisters The March of Dimes Ontario Alliance of Children	- Contribution of government ranges from under 10% to 50%. - Matching funds from: 1. Membership fees 2. Fund raising projects, e.g., ORS series of seminars on computers 3. Local organizations - registrtion fees from municipality - Government $'s usually go to salaries
Camping and Outdoor Education		
Bark Lake	See Executive Development, Leadership Development, Resource Development, Special Projects	Funds from: membership (special events) - Publication/commercial exhibitions - Fund raising - Endorsements - Fees, e.g., royal life for awards Government controls 2% - 50%

Branch/Unit Program	How Funds Allocated	Matching Funds, etc. (Where Come From?)
Community Planning		Communities over 50,000, the Ministry pays 75% of cost.
COMMUNITY PROGRAMS	Transfer Given directly to organizations D.O.E. = Goes to staff for administration	Our dollars do not fund 100% Negotiated project basis 90-10% Sources: participant fees/corporate contribution

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Ontario

Ministry of
Tourism
and
Recreation

Province of Ontario
Queen's Park
Toronto, Canada
M7A 2E5

Hon. Reuben C. Baetz
Minister,
John R. Sloan
Deputy Minister

Volume

5

Ontario

Ministry of Tourism and Recreation

RECREATION...a changing society's economic giant

QUANTIFICATION OF THE ECONOMIC IMPACT OF THE DIVISION'S PROGRAMS VOLUME 5

An economic impact study prepared by

Earl Berger Limited

In Association With

G.M. Stamm, Economic Research Associates

Mathieu, Williams, Letheren Associates

William J. Chambers

October 1983

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1.0 INTRODUCTION AND SUMMARY

1.1 Introduction

In accordance with the Terms of Reference for this study, the purpose of this Background Report is to present a preliminary estimate as to the economic impact of the Recreation Division's programs upon the province. As described in the succeeding paragraphs the impact of the Recreation Division's activitites is extremely large. However, care must be exercised in utilizing and interpreting the results of the analysis. This is so for several reasons:

1. This is the first study of its type to analyze the impact of the Recreation Division's programs. Subsequent analysis may qualify or adjust the results presented here. We are convinced, however, that the results are reliable in representing the order-of-magnitude impact of the programs.

2. The results are estimates due to the nature of the Recreation Division's programs. A large majority of the Division's programs are directed towards intermediate agents, such as municipalities and the sports governing bodies, rather than the public itself. Consequently the effect of the Division's programs upon the general public can be seen and assessed only indirectly. This presents many difficulties in the calculation of the impact of the programs.

The impact of the Recreation Division's programs goes far beyond strictly dollars and cents. Rather, the encouragement and facilitation of recreational activities improves the quality of life in the province for those who avail themselves of the opportunities. In the same manner, increased sports, fitness and recreational involvement brings with it particular benefits in the areas of health and employment. These benefits are discussed in the Final Report. The benefits which such activities bring are significant. While harder to quantify than the financial impact of the programs, these benefits are very real and important. This Background Paper has not sought to address these issues; rather they are dealt with in the Final Report of this study.

The format of the report is as follows. Part 2.0 presents a brief description of the economic model utilized in the analysis of this project. Part 3.0 addresses the total resources employed in the sports and fitness areas. These include those of the Recreation Division itself, related actors such as municipalities and sports governing bodies, other private resources and personal expenditures.

Part 4.0 then discusses the proportion of these activities and resources which might be properly attributable to the Division's programs, the implications of these programs in terms of personal expenditures and the multiplier effects of these activities.

1.2 Summary of Findings

1. The Recreation Division's programs can be distinguished into four generic classifications:

- grants for both capital construction and operations;
- programs directed towards the general public;
- leadership training programs; and
- advice/facilitation/consulting/organizational development.

2. Of the Division's total budget of $62.8 million, 85% represents transfers to municipalities, sports governing bodies and other outside groups and agencies. Municipalities receive approximately one-half of the total transfers.

3. In 1981, the latest year for which complete data is available, municipalities spent $538 million on recreation, with $100 million of that being for capital construction.

Provincial assistance financed 18% of the capital works for recreation. The Division also provided $7.1 million towards the operations of recreation programs in municipalities, with the greatest proportional assistance going to the smallest municipalities; 23% of the operating funds for these programs came from fees and service charges.

4. The Division provides support for 72 sports governing bodies. The $4.8 million of Divisional assistance meets approximately 38% of the total operating costs of the SGB's.

Many of the SGB's, as well as several provincial recreation bodies, also benefit from location in the Ontario Sports Administration Centre (OSAC) which receives $2.5 million of funding from the Division.

5. Investment in recreational facilities is substantial. In addition to facilities put in place by the federal, provincial and local governments, the private sector invests approximately $271 million in recrea-

tional facilities annually.

6. A typical family in Ontario spends $2300 per year on recreation. In total this amounts to $7.3 billion. The amounts are broken down as follows:

	($ million)
Active Recreation	$ 679
Passive Recreation	2,625
Athletic Clothing	314
Food/Travel/Accomodation	3,662
	$7,280

Recreation is one of the principal reasons for tourism activity. Participation in outdoor activities and sporting events occurred in 24% of all trips, with attendance at sporting events occurring in 6%. In total, recreation and pleasure were the primary motivations for 35% of all trips.

7. Volunteers in leisure activities contribute more than 20.4 million hours per year in Ontario with a value of over $200 million. This represents a net benefit and addition to the Ontario economy.

8. Participation in physical activities has been increasing steadily in recent years, as documented in Physical Activity Patterns in Ontario--II, with approximately 60% of the population identified as physically active.

9. A substantial proportion of all recreational activities take place in facilities directly assisted by the Division. For example, 51% of all swimming, 62% of all ice skating and hockey and 59% of all tennis takes place in public facilities.

In addition, the Division's programs to increase awareness and participation, and to train leaders and coaches, increase the level and quality of that participation.

10. Overall it has been estimated that 14.5% of all active recreational activities and expenditures are closely related to the Division's programs.

11. In total, $290 million of personal expenditures for recreation are closely related to the Division's programs, undertaken at a cost of $62.8 million. Thus every dollar of Provincial expenditure evokes $4.60 of direct private expenditure on recreation.

12. As the direct expenditures circulate through the economy, additional employment and income are generated. It is estimated that the total income, both direct and indirect, generated by the Division's expenditures of $62.8 million is $536 million, or $8.60 for every dollar of Division expenditures. In addition, volunteer time valued at $29.6 million or $.47 per dollar of expenditure is directly related to the Division's programs.

2.0 THE ECONOMIC MODEL

The model is divided into four inter-related phases (see chart following) . In the first phase the Division's structure and activities are addressed. In general the Division's activities have been divided into four generic classifications:

- grants both for capital works and operation/travel;
- programs directed specifically to the general population;
- leadership training programs; and
- advise/facilitation/consulting/organizational development.

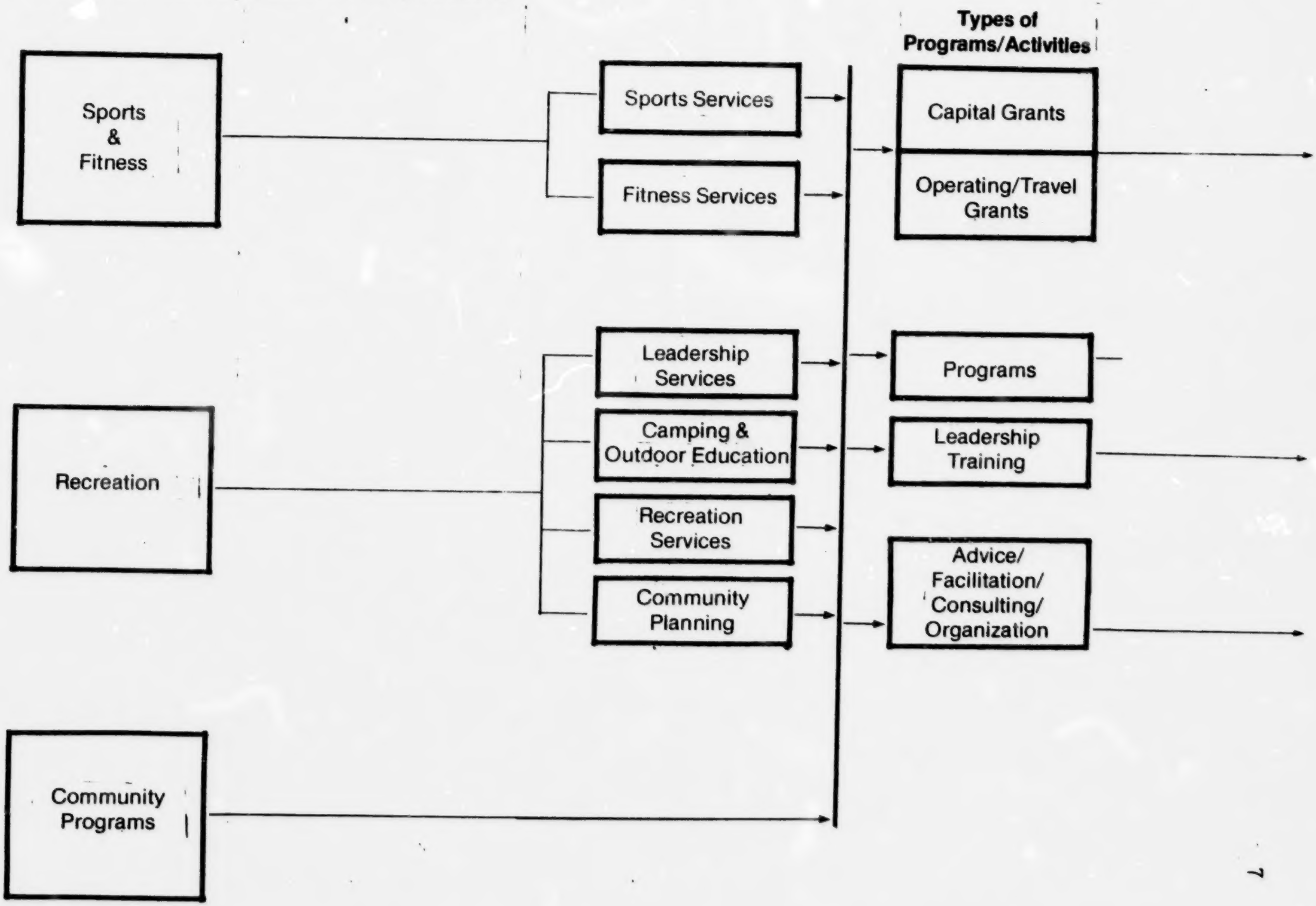
In Phase II the results of the Division's programs are defined by a number of intermediate products. For example, it is possible to classify the number of grants awarded, the amount of funds transferred, the number of leadership training sessions undertaken, the number of elite athletes supported and the like. For the most part, these outputs of the Recreation Division are directed towards other groups and organizations. These include municipalities, sports governing bodies, employers, local clubs, athletes and the like. These are then combined with the other resources of these organizations and groups to provide certain public and private program activities in sports, fitness and recreation fields.

In Phase III of the model, the actual number of participants in various activities is considered and assessment made as to the degree to which that participation has been assisted, encouraged, or facilitated by the ministry's programs. This step is perhaps the most difficult in the entire study proccess.

In Phase IV both the direct and indirect impact of such participation related to Division's programs is calculated and presented. Such impact includes direct personal expenditures as well as other measures such as

Economic Model Structure

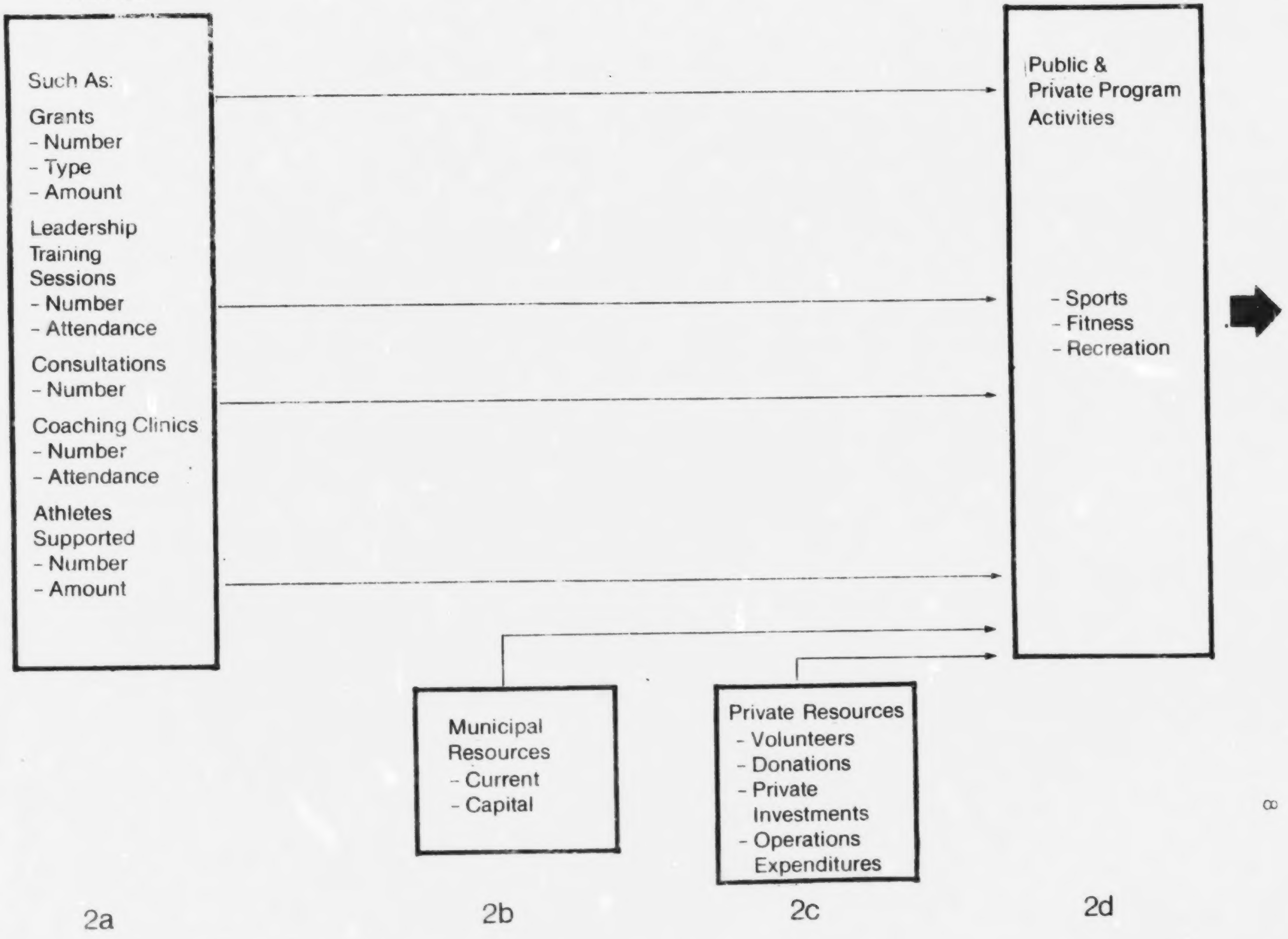
Phase 1


Types of Programs/Activities
Sports & Fitness
Recreation
Community Programs
Sports Services
Fitness Services
Leadership Services
Camping & Outdoor Education
Recreation Services
Community Planning
Capital Grants
Operating/Travel Grants
Programs
Leadership Training
Advice/ Facilitation/ Consulting/ Organization
1a
1b

Source: G.M. Stamm, Economic Research Associates

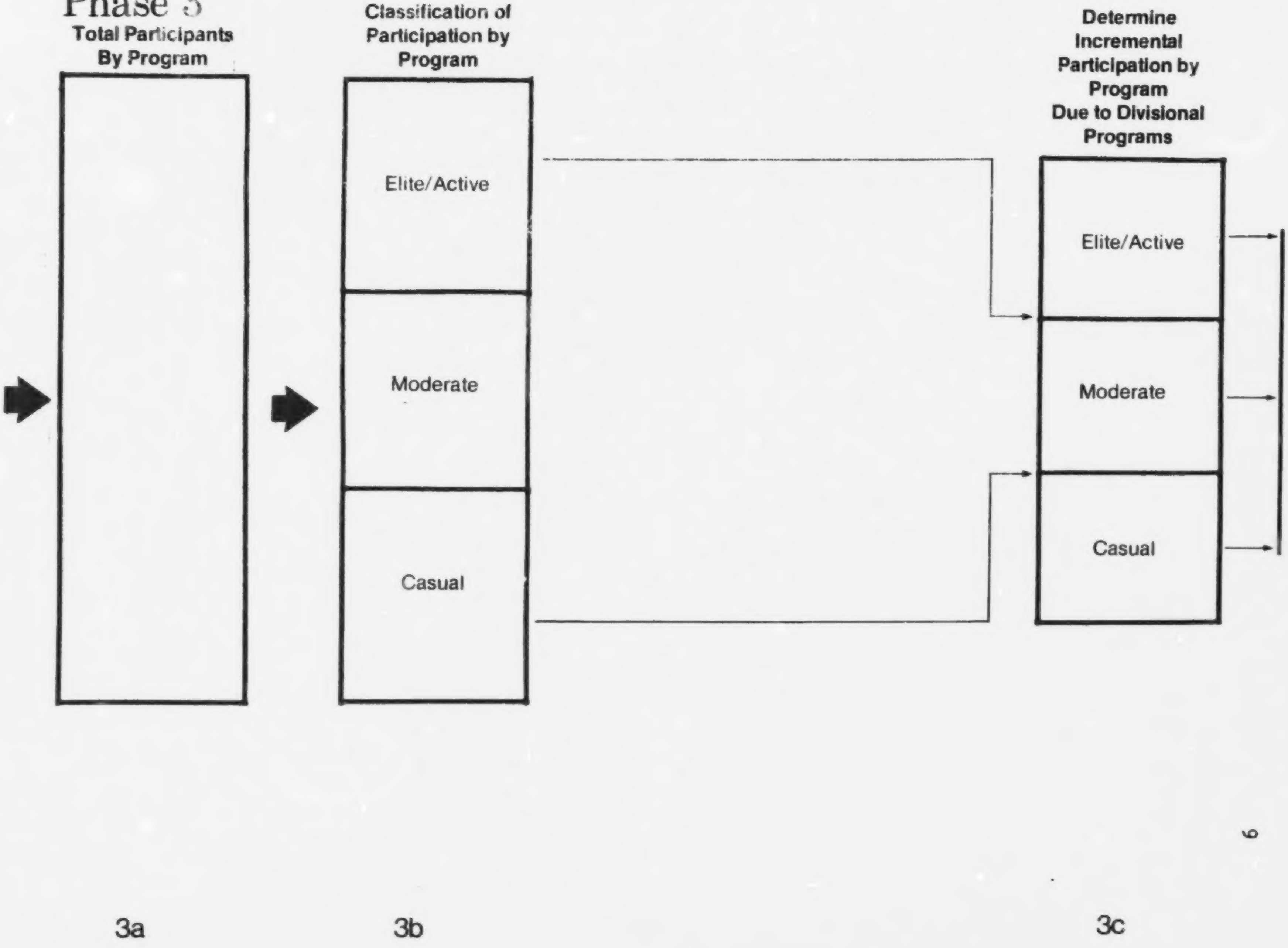
Phase 2

Intermediate Products



Such As:
Grants
- Number
- Type
- Amount
Leadership Training Sessions
- Number
- Attendance
Consultations
- Number
Coaching Clinics
- Number
- Attendance
Athletes Supported
- Number
- Amount
Municipal Resources
- Current
- Capital
Private Resources
- Volunteers
- Donations
- Private Investments
- Operations Expenditures
Public & Private Program Activities
- Sports
- Fitness
- Recreation
2a
2b
2c
2d

Phase 3



Total Participants By Program

Classification of Participation by Program

- Elite/Active
- Moderate
- Casual

Determine Incremental Participation by Program Due to Divisional Programs

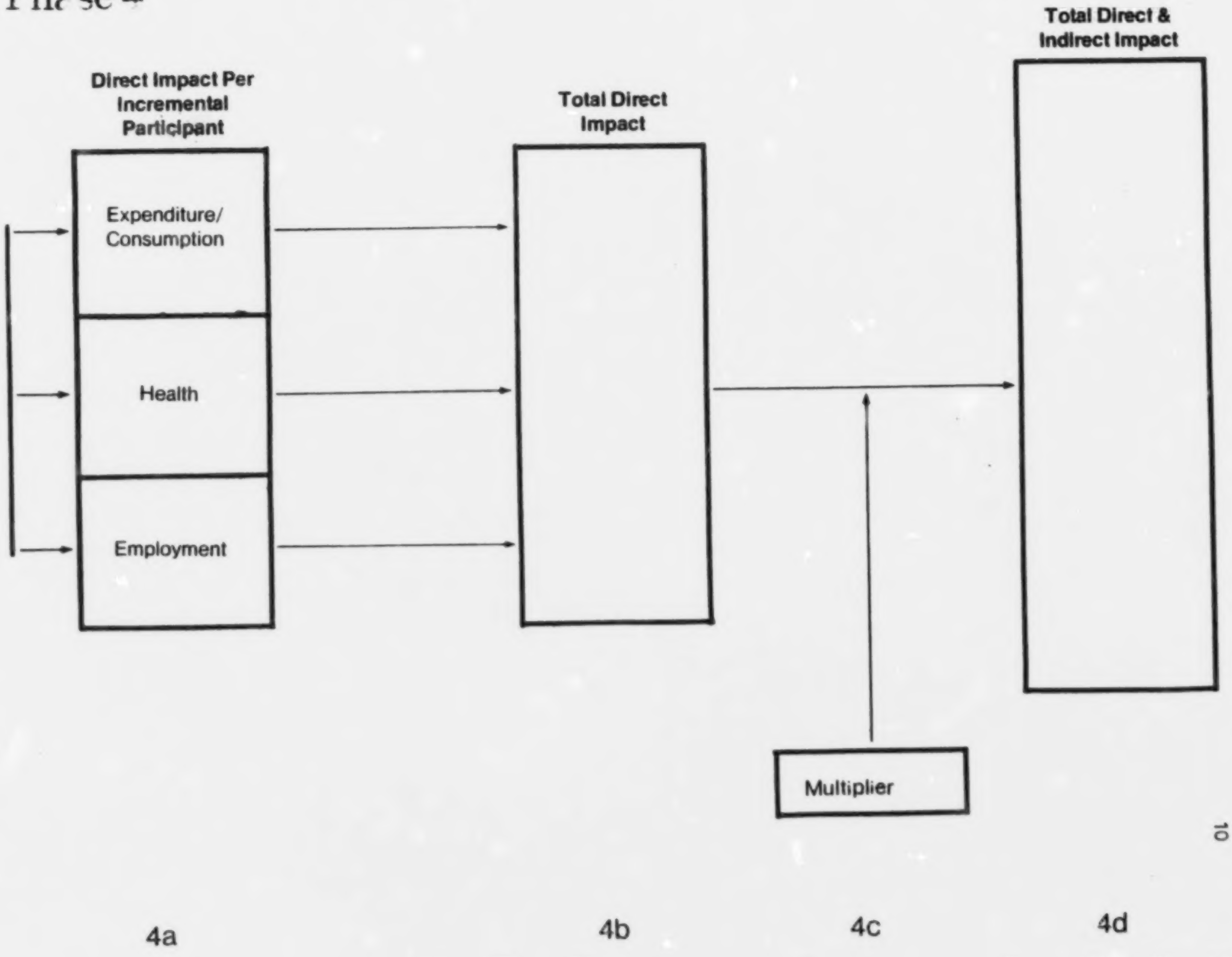
- Elite/Active
- Moderate
- Casual

3a

3b

3c

Phase 4


Direct Impact Per Incremental Participant
Expenditure/ Consumption
Health
Employment
Total Direct Impact
Multiplier
Total Direct & Indirect Impact
4a
4b
4c
4d

the effect of Division's programs on employment and health related factors.

3.0 EXPENDITURES ON RECREATION

The purpose of this part is to describe the total expenditures for recreational activities. In terms of gross provincial product accounting there are three principal sources of expenditures for recreation:

- government, both at the provincial and municipal level,
- investment, and
- personal expenditures.

Because of its magnitude, we shall also address the expenditures undertaken by sport governing bodies, and other non-market resources, such as the value of volunteer time, which acts as an input into the production of recreational goods and services.

3.1 Divisional Activities and Expenditures

The so-called "intermediate products" provided by the Division are summarized in the **Managing By Results** abstracts. These provide a brief overview of the outputs and programs provided by the Division in both operational and progammatic frameworks. The MBR abstracts provide a capsule view of the activities undertaken by the Division in terms of number of leadership courses undertaken, number of attendees, number of coaching clinics provided, number of sports governing bodies supported, training events, attendees at the Bark Lake facility, consultations and the other.

Unfortunately, but perhaps unavoidably, there is little available information concerning the link between these intermediate products and the actual participation in sports, fitness and recreation activities. To take but two examples, the Division has good information with respect to the number of fitness leadership courses provided and the number of attendees. Little information is available, however, concerning the number of persons who are ultimately influenced by these fitness leaders. In the same way, good information is available concerning the number of persons trained at the Bark Lake camping facility. However, there is little information concerning the impact which these trained camping leaders ultimately have upon the general public. Further examination of this link to determine how Division's programs flow through to the general public and benefit that public would appear to be a high research priority for the Division.

Table 1 presents the total expenditures of the Recreation Division for 1983-1984. In total, approximately $62.8 million has been allocated.

Nearly 85% of the total budget of the Division represents transfers to municipalities, sports governing bodies, and other outside groups and agencies. The remaining $9.1 million is employed by the Division to directly provide services, training and programs.

Approximately one half(1) of the total Division's transfers of $53.6 million is made to municipalities. This is by means of specifically designated programs to benefit municipalities such as the CRCA and Regulation 653 programs which assist in the construction of capital facilities and to facilitate ongoing municipal recreation programs respectively. Municipalities are also eligible recipients under other general programs such as the Wintario capital and Wintario programs grants.(2)

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1. This figure represents an estimate developed by the consultant. The Division may wish to review this number and provide a more precise breakdown.

2. Until the 1983/1984 fiscal year, Wintario grants were coded solely by the type of activity, not by the type of recipient. Consequently it is not possible to report precisely the distribution of these funds by type of recipient. A second problem arises particularly with grants for capital facilities in distinguishing between commitments and actual cash disbursements.

TABLE 1

RECREATION DIVISION ESTIMATES - 1983-1984

($000's)

Branch/Section/Program	Salaries/ Benefits	Direct Operating Expenditures	Transfers and Grants	Total
Program Administration	$ 269	$ 144	$44,182	$44,594
Grants for:				
Recreation Research			$ 77	
Municipal Recreation (653)			5,202	
Community Facilities (CRCA)			9,093	
Wintario Program			6,310	
Wintario Capital			22,500	
Lottario*			1,000	
Sports & Fitness	$1,442	$1,720	8,817	$11,980
Directors o/e		165		
Fitness Section		1,072	228	
Sports Section		483	8,589**	
Recreation	$ 712	554	596	$1,862
Directors o/e		$168	$24	
Recreation Section		120	274	
Leadership Section		1	51	
Community & Outdoor Education Section		213***	138	
Community Programs	$3,418	$ 973	—	$4,391
TOTAL	$5,841	$3,391	$53,595	$62,827

* Non-recurring

** Includes grants to SGB's ($4,762,000) and OSAC ($2,473,000) included within Transfers and Grants of $8,589,000

*** Includes operation of Bark Lake of $205,000

TABLE 2

RECREATION DIVISION GRANTS AND TRANSFERS - 1983-1984

($000)

Grants to Municipalities:		
Capital		
CRCA	$9,093	
Wintario Capital*	9,900	
Lottario**	1,000	
		$19,993
Operating		
Regulation 653	$5,202	
Wintario Program*	2,300	
		$7,502
Total Municipal		$27,495
Grants to Others:		
Program Administration		
Recreation Research	77	
Wintario Capital*	12,600	
Wintario Program*	4,010	
		$16,687
Recreation Branch	596	
Sports & Fitness Branch		
Sports Governing Bodies	4,762	
OSAC	2,473	
Other	1,400	
		$8,635
Total Grants to Others		$25,918
Total Grants and Transfers		$53,413

* Estimated
** Non-recurring

Of the remaining 50% of funds distributed to others, large amounts flow in earmarked grants to sports governing bodies ($4.8 million) and for the operation of the Ontario Sports Administration Centre ($2.5 million). Large amounts are also distributed to a wide variety of groups and organizations under the Wintario capital and Wintario program/travel grant programs as well as smaller amounts for other sports, fitness and recreation activities.

These amounts are shown in Table 2. Of the $53.6 million distributed by the Division, approximately $27.5 flowed to municipalities and approximately $26.1 to other organizations and groups.

3.2 Municipal Activities

Municipalities are one of the primary delivery agents for sports, fitness and recreation programs to the general public. In 1981, the most recent year for which complete information is available, municipalities expended approximately $438.4 million for parks and recreation activities. In addition they expended approximately $100.4 million for capital facilities in this area. This ranks recreation as one of the largest expenditure items for municipalities throughout the Province.

Financial assistance provided by the Division to the municipalities is reflected in their activities. Of the $100 million of capital works undertaken by muncipalities for parks and recreation purposes, $18.8 million was received from the province. Thus a substantial portion of municipal sport and recreation facilities is directly attributable to provincial assistance and the benefits flowing from these facilities equally are attributable to the Division's programs.

From an operational standpoint, the municipalities recovered a significant portion (23.5%) of their expenditures from fees and service charges. In dollar terms the contribution towards operations provided by the Division was very significant, amounting to $7.1 million in 1981.

In percentage terms, however, provincial contributions were much less significant (1.6%) than is the case with capital facilities.

Provincial assistance for the operation of recreation programs was much more significant for smaller municipalities. For the smallest municipalities reviewed, those under 10,000 population, provincial assistance was approximately eight times as great in relative terms as that provided to the largest municipalities reviewed, those over 75,000. This appears to be quite appropriate in that smaller municipalities, operating usually with the smallest financial base, have the greatest trouble reaching the threshold at which a suitable recreation program can be provided. Provincial assistance under Regulation 653 and others allows these municipalities to reach the threshold at which professional staff can be retained to run a recreation program.

The difference between the relative contribution of the Division towards capital facilities and operations also appears quite appropriate. The Division makes a substantial contribution towards the construction of new capital works for the provision of sports and recreation activities. Once constructed, however, the level of operations, the types of programming and other details are left in the hands of the local municipality. It is the responsibility of that local municipality to raise sufficient funds by means of user charges or general municipal revenues, to provide adequate programs as defined by that municipality.

At the present time there is no comprehensive listing of the programs provided by local municipalities or the number of persons participating in such programs. Development of such information, even if based only on a sampling of municipalities, would prove extremely valuable in tracing the effectiveness and benefits resulting from provincial assistance to municipalities.

3.3 Sports Governing Bodies

The 72 sports governing bodies recognized by the Division play a very special role in the provision of sports and recreation to the province.

The sports governing bodies serve a co-ordinating and unifying role over the large majority of organized sporting activities in the province. Total direct contributions by the province to the sports governing bodies amounts to $4.8 million in 1983-1984. On the average, direct grants from the province provide approximately 37% of the total funding for the sports governing bodies, although there is considerable variance in this figure among the SGB's. In many cases, their operations would not be possible without this assistance.

In addition, many of the sports governing bodies (as well as other bodies such as the ORS and the OMRA), benefit indirectly from their location in the Ontario Sports Administration Centre (OSAC) which is funded by the Province in the amount of $2.5 million.

The role of the provincial sport governing bodies varies tremendously from organization to organization, depending on a multiplicity of factors that influence their operation. There are those SGB's who act only as co-ordinating mechanisms for sub-units to operate more efficiently. An example of this is the Ontario Section of the Canadian Figure Skating Association. Some have a much broader focus and deal with all aspects of the sport from grass roots participation to elite development covering the entire spectrum. This is exemplified by a sport such as gymnastics.

Still others, cast from a different mold, are very small and intense, dealing (usually as Olympic sports) with only a small dedicated number of high performance athletes. Bobsled and Luge are examples of this type.

It becomes evident that there are no typical Sport Governing Bodies but instead a broad variety equal to the total number of sports, each with its own idiosyncrasies, strengths and organizational weaknesses.

3.4 Capital Investment in Recreation Facilities

All sectors of the economy have invested heavily in the development of recreational facilities throughout the Province. This is particularly true of the local municipal sector as discussed above, and the private sector.

Statistics Canada collects and publishes information concerning construction activity in various areas related to recreation. In certain cases the categories under which information is provided are broader than might otherwise be desired. For example construction activity for theatres is included with that for arenas, amusement facilities and recreational facilities. No breakdown or sub-classification is available to be able to eliminate the cultural or passive recreation oriented facilities from those related to active recreation. Similarly, land scaping and sodding are included in the category of construction activity with the parks systems.

In the analysis provided here, the full amount of construction activity in these categories has been included, given the inability to segregate certain undesired activities from the total. Investment in other activities which are, in fact, oriented towards recreation cannot, for similar reasons, be included. As an example of this latter case, corporate investment and recreational facility as part of a new factory building, or the inclusion of the new gymnasium as part of the construction of a new school structure, are included in categories of general industrial, office construction or institutional buildings rather than specifically segregated as recreation-oriented. It is surmised that the offsetting amounts would not seriously distort the aggregate impact of investment in recreational activities.

Investment in recreational facilities will vary significantly from year to year. Recent periods of high interest rates in conjunction with recession have undoubtedly affected investment in recreational facilities as well as other capital works. Sufficiently detailed information is not available to be able to identify such reductions in the recent past or to make projections as to short-term trends in such investment in the near future. Consequently the information provided here represents a "normal" level of development based on historical information over the past several years.

It is estimated that the total investment in the recreational area in Ontario amounts to approximately $405.8 million. Of this, only a relatively small amount represents investment by the Federal Government or directly by the Provincial Government. These amount to $3.5 million and $15.1 million respectively(1). On the other hand, investment at the local government level will amount to an estimated $116.4 million in 1983. Investment by the private sector is by far the largest single element in this area. This is particularly true with respect to development of theatres, arenas, amusement and recreational facilities, and parks systems, landscaping and sodding. In total, private investment in recreational facilities amounts to approximately $270.8 million.

As discussed previously, Provincial contributions to municipalities and the private sector provide significant support with respect to this investment and recreational capital. These amounts are well in excess of $32 million.

3.5 Personal Expenditures

Personal expenditures for recreation dwarf those either of the government or private investment. In the greatest part, expenditures by the government both for capital facilities and programmatic activities as well as private investment can be seen as permitting or facilitating as well as encouraging private expenditures in those areas.

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1. The Provincial share primarily represents work undertaken in Provincial Parks.

TABLE 3

ESTIMATED ONTARIO RECREATION INVESTMENT - 1983

($000)

		Governmental			
	Total	Federal	Provincial	Local	Private
Theatres, Arenas, Amusement, Recreation	$293,300	$ 150	$ 1,500	$75,900	$215,750
Swimming Pools, Tennis Courts, Outdoor Recreation	36,000	300	300	32,400	3,000
Park Systems, Landscaping, Sodding	76,350	3,100	13,300	8,100	51,850
	$405,650	$3,550	$15,100	$116,400	$270,600

Detailed information is available concerning personal expenditure activities throughout Canada(1).

Expenditures for recreation amount to one of the largest items in the typical family's budget. For the purposes of its survey, Statistics Canada defines a "family" as a spending unit. This could represent a nuclear family in the traditional sense, a single person household or two or more persons living together who act as a single spending unit. In 1978 families in Ontario spent an average of $961 on recreation for equipment, fees and other. This was more than twice the amount that they spent on medical and health care, nearly three times what they spent on personal care items and more than they spent on household furnishings and equipment. Additional amounts were spent on clothing, travel and accommodation related to recreation.

In total, it is estimated that by the end of 1983, the typical family unit in Ontario will spend approximately $2,300 on all aspects of recreation.

As shown in Table 4, this total expenditure can be broken into several sub-classifications. Active recreation which includes expenditure for outdoor recreational items, camping equipment, bicycles, swimming pools, etc., amounted to $218 per family. Passive recreation which includes gardening, admission to athletic events, home recreation and home entertainment equipment and recreational vehicles amounted to $841 per family. Athletic clothing was $106, vacation and holiday expenditures were $277; thus total direct expenditures for recreation amounted to $1,442.

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1. Statistics Canada, "Family Expenditure in Canada", All Canada: Urban & Rural, Volume 3, Catalogue 62-551, 1978.

TABLE 4

RECREATION EXPENDITURES - 1983

	Amount Per Family	Total Expenditure (000's)
Active Recreation	$ 217.56	$ 678,957
Passive Recreation (includes motorized)	841.06	2,624,864
Athletic Clothing	106.48	313,577
Vacation/Holiday	276.91	864,195
Sub-Total	$1,442.01	$4,481,592
Food/Hotel/Motel*	144.90	452,171
Travel-Automobile & Intercity*	751.55	2,345,515
Sub-Total	$896.45	$2,797,686
TOTAL	$2,338.46	$7,278,278

* Deemed percentage attributable to recreation only

Table 5 presents a distribution of family active recreation expenditures. Nearly 40% goes to commercial and non-profit organizations for fees. Expenditures for swimming pools, outdoor recreational equipment, camping and picnic equipment, bicycles and other items account for the remaining 60%.

In addition, a considerable portion of a typical household's travel and out-of-home food expenditures, as well as expenditures in hotels and motels, is incurred for the purposes of recreation. The Tourism Division recently completed work on a study analyzing the tourism activities of Ontario residents. This study found that a substantial portion of such tourism activity, defined as any trip greater than 25 miles one way, was for the purpose of recreation. Participation in outdoor recreation or sporting events occurred in 24.2% of all person-trips, attendance at sporting events in 5.8%. In total, the primary motivations for 34.8% of all tourism trips were for the purposes of recreation or pleasure. Of the specific items identified in the survey, participation in outdoor activities and sporting events ranked second only to shopping as an activity undertaken during such trips. Consequently a proportion of a typical household's expenditures for food, hotels and motels and travel has been included in this analysis. In total, these amount to $896 per family.

In 1983 there are in excess of 3.1 million family units in Ontario. Thus total expenditures on recreation by Ontario residents amounted to some $7.3 billion.

3.6 Volunteers

One extremely important element in the determination of the total value of recreational activities produced is that of volunteers. Under the normal gross provincial product accounting system, the value of volunteers' time does not appear. It is clear to any one who participates in virtually every form of recreational activity that such activities would be severely hampered, if not impossible to carry out at all, if it were not for the many thousands of hours which volunteers con-

TABLE 5

ACTIVE RECREATION EXPENDITURES

	Per Family	Total (000's)
Recreation Fees	$86.47	$269,852
Commercial	55.19	172,247
Non Profit	28.41	88,661
Governmental	2.87	8,944
Swimming Pools	$14.45	$45,108
Outdoor Recreation	$70.03	$218,542
Water Sports - Fishing/Boating	10.73	33,502
Downhill Skiing	8.36	26,100
Cross Country Skiing	9.24	28,827
Golf	9.61	29,996
Hockey	17.10	53,369
Racquet Sports	5.49	17,141
Other Sports & Athletic Equipment	9.49	29,606
Camping/Picnic Equipment	$8.72	$27,220
Bicycles	$21.43	$66,885
Other	$16.45	$51,330
TOTAL	$217.55	$678,957

tribute. In Ontario in 1980, 192,000 volunteers provided an estimated 20.4 million hours of volunteer time towards leisure activities.

The survey of volunteer activities undertaken by Statistics Canada notes:

> In particular, men were found to be twice as likely to participate in leisure acitivity organizations as were women - a fact which could be due in part to the greater involvement of males in coaching minor athletics (an activity which was included in the survey definition of leisure organizations). It is important to note this high participation rate of males in leisure activity organizations as it is likely that it is a major factor contributing to the unexpectedly high overall participation of males in volunteer work.

Various means exist by which the value of this leisure time can be assessed. Given the distribution of persons participating in volunteer activities for leisure, particularly the high proportion of men who are active in minor athletics, the best means for valuing his or her time appears to be to utilize the average hourly wage, currently approximately $10 per hour, in Ontario. Consequently the total value of volunteer time in recreational pursuits is $204 million.

Just as the value of such volunteer time does not appear in the national accounts, it is clear that the value of this volunteer activity represents a net additional resource which is brought to the leisure field. It is highly likely that in the absence of organized activities which provide a vehicle for the volunteer work, these resources would be lost to our society. People would not simply transfer these hours of volunteer work into other activities. Rather, they would likely withdraw the services completely thus leaving the society in a worse position.

4.0 PARTICIPATION ATTRIBUTABLE TO PROVINCIAL PROGRAMS

4.1 Participation in Recreational Activities

Since 1978 the Division has undertaken semi-annual surveys of participation in various physical activities. To the author's knowledge, this is one of the first regular surveys undertaken with a sufficiently large sample size and with consistency in the information gathered to be able to properly detect changes in physical activity patterns by the residents of the Province. Previous studies have been undertaken on a much less consistent basis which renders the results unreliable for determination of trends in recreational participation.

The results of the Provincial survey as presented in Physical Activity Patterns in Ontario - II reveal a steady growth from November 1978 to November 1981 at the level of physical activity and the intensity of that frequent participation.

The surveys have been oriented towards sporting activities with some consideration given to more passive activities such as walking, gardening, dancing and yoga.

The surveys have been undertaken in June and November of each year. The timing has been such as to place primary emphasis upon activities which can be undertaken on a year-round basis. Consequently participation in some outdoor activities of a highly seasonal nature, such as skiing, have undoubtedly been understated.

Table 6 reproduces data from the Physical Activity Patterns Report showing growth of the number of participants, their activity levels and the breakdown of participation in particular activities.

TABLE 6

PARTCIPATION IN PHYSICAL ACTIVITY

Frequency of Activity	Nov. '78	June '79	Nov. '79	June '80	Nov. '80	June '81	Nov. '81
3 or more times a week	26%	32%	29%	39%	37%	45%	37%
1 or 2 times a week	23%	20%	21%	18%	20%	19%	19%
ACTIVE (Once a week or more)	49%	52%	50%	57%	57%	64%	56%
1-3 times a month	7%	6%	6%	6%	6%	6%	6%
PARTICIPANTS (Once a month or more)	56%	58%	56%	63%	63%	70%	62%
Number of cases	1033	1067	1099	1086	1074	1097	1049

Per cent of all respondents participating at least once a month in activity (ranking)

ACTIVITY	JUNE 1981	NOVEMBER 1981
Walking	26% (1)	27% (1)
Swimming/Scuba	24% (2)	6% (5)
Calisthenics (individual & group exercise)	10% (4)	12% (2)
Bicycling	15% (3)	5% (6)
Jogging/Running	9% (5)	9% (3)
Skating/Hockey	2% (13)	8% (4)
Tennis/Badminton/Table Tennis	6% (6)	3% (11)
Golf	6% (6)	2% (13)
Squash/Racquetball/Handball	3% (11)	5% (6)
Weightlifting	3% (11)	4% (9)
Gardening	5% (9)	2% (13)
Baseball	6% (6)	* (17)
Bowling	1% (17)	5% (6)
Dancing	2% (13)	4% (9)
Basketball/Volleyball	2% (13)	3% (11)
Boating/Fishing	4% (10)	* (17)
Football/Rugby	1% (17)	2% (13)
Soccer	2% (13)	* (17)
Curling	* (20)	2% (13)
Yoga	1% (19)	* (17)
Other	3%	7%
Non-participants	30%	38%
Number of Cases	1102	1055

Notes:

1. Totals are greater than 100% since many individuals participated in more than one acitivity
2. These figures should be treated as approximate. Small percentages are based only upon responses of only a very few individuals
3. Percentages less than half of one per cent are indicated by an asterisk (*)

Source: Ministry of Tourism and Recreation, Physical Activity Patterns in Ontario II; 1983

4.2 Attribution of Recreational Activity to Divisional Programs

It is clear from the identification of the most popular physical activities undertaken by Ontario residents that many of the most popular are highly individualized and can be done in the home or close proximity thereto and without large amounts of specialized equipment or facilities. This is certainly true of walking, calisthenics, bicycling, jogging and gardening among others.

As noted above, it is often extremely difficult to determine the impact which the Division's programs have upon the general public. This is true since most of the programs of the Division serve the general public only in an indirect manner. Second, at the present time there are many gaps in the information tracing the secondary implications of the Ministry's programs through to the general public. Correcting this serious shortage of information is one of the goals of the research program.

In Background Paper #2, the description of the economic model, the programs of the Division were distinguished into four generic categories:

- transfers or grants for capital works and operations;
- programs directed specifically at the general population;
- leadership training programs; and
- advice/facilitation/consulting/organizational development.

Under the indirect form of assistance provided by the Division, the Province's resources are combined with others, such as those of the municipalities and the sports governing bodies, to produce total programs of facilities available to the general public. Similarly, with leadership training programs, the resources expended by the Division to train coaches, fitness leaders or camp leaders only become functional when combined with many other resources to produce benefits to the general public.

Even among those programs provided directly to the public, the aim is more one of establishing an atmosphere of encouragement rather than maximizing the number of persons who "sign on the dotted line". Even direct participation programs, such as the Fit Five program, which offer specific awards for achievement, probably have even greater impact upon the general public by increasing its awareness of the benefits arising from physical fitness.

Consequently, it is unrealistic for the Division to attempt to classify the benefits of its programs by means of counting the number of persons who enter through a turnstile. Perhaps the best term to describe the situation is to determine the degree to which the Division's programs influence, assist and encourage the public, rather than to try to determine the number of participants directly related to any particular program.

One of the recreation surveys undertaken determines the type of facility in which the public undertakes certain activities; see Table 7.

It is obvious from Table 7 that a large proportion o. the participation in certain particular sporting activities occurs in public facilities, one of the primary recipients of Provincial assistance. For example, 51% of swimming takes place in public recreational facilities, 62% of the ice-skating and hockey and 59% of the tennis. Consequently Provincial assistance to such public facilities contributes greatly to the activities identified.

With respect to other programs, such as leadership training, it is perhaps even more difficult to determine the proportion of the total activity attributable. No one would suggest, for example, that in the absence of a sports governing body overseeing tennis, for example, no one would ever play tennis again in the Province. The same holds true for virtually every other activity. However, by means of training coaches and officials, and by means of assisting with the development of new programs, tournaments and competition, the quality of the activity is raised through the actions of the sports governing bodies and through the availability of coaches and officials and others.

TABLE 7

TYPE OF FACILITY UTILIZED FOR SELECTED ACTIVITIES

	Type of Facility				
Activity	Home	Public & Non-Profit Recreation Facility	Commercial Facility/ Private Club	Work School	Outside No Special Facility
Walking/Hiking	6.9%	1.8%	.4%	2.9%	88.3%
Jogging/Running	13.7	8.7	5.0	5.3	64.6
Swimming/Scuba Diving	15.8	50.9	24.9	4.2	2.8
Hockey/Skating	1.4	61.7	24.5	3.0	7.8
Bicycling	14.5	0	2.3	0	78.4
Tennis/Badminton/ Ping Pong	4.5	58.7	32.6	0	4.2
Basketball/Volley-ball	4.2	36.0	8.5	37.1	4.6
Bowling	0	12.5	87.5	0	0
General Exercise	50.3	19.7	26.0	.7	0
Squash/Handball	7.1	33.3	45.4	9.5	0
Dancing	10.6	36.2	46.8	3.4	0
Weightlifting	57.2	7.9	17.9	2.6	13.9
Yoga	66.7	33.3	0	0	0
Rugby/Football	13.2	33.1	0	20.1	33.6
Soccer	0	79.2	0	20.8	0
Golf	0	44.0	61.5	0	0
Curling	0	44.2	55.8	0	0
Baseball	0	61.7	12.9	0	0
Gardening	68.5	0	0	0	0
Boating/Fishing	0	0	0		71.5
Horseback Riding	19.3	17.1	15.6	0	48.0

Source: Canadian Gallup Poll, Ontario Omnibus Survey, November 1982 commissioned by the Recreation Division, Ministry of Tourism and Recreation

Even with programs directed specifically at the ultimate recipients, such as the Fit Five program, the media campaign to encourage physical fitness, or support elite athletes, the benefits may be significant although difficult to quantify. For example, the value of the Provincial contribution towards supporting elite athletes extends well beyond the athletes themselves. There is a Demonstration Effect by which the general public, by becoming aware of the success of elite athletes, is encouraged to become more actively involved itself.

Consequently the value of the Provincial assistance may, in fact, be much greater than that which could be identified by looking at a simple percentage of total expenditures.

In addition, the benefits from various Divisional programs tend to be additive. For example, a person could be encouraged to undertake a certain activity through a media campaign, participate in that activity in a facility supported by the Division and obtain assistance from a coach or a trained leader who had been assisted by still a third Divisional program. Thus the total impact of the Division's comprehensive range of programs on that person could be extremely substantial.

In each of these areas, it should be possible to obtain better quantified results concerning the impact of provincial programs. For example, with respect to provincial grants to a municipality, for instance, a sampling of municipalities could be undertaken to determine the actual physical usage of any facility supported by the province in terms of number of users, pattern of usage and others. Similarly surveys could be undertaken looking at the way in which coaches or officials trained through Provincial programs actually become more involved in the activity and are able to assist the general public in its endeavors. Similarly media campaigns could be analyzed through use of survey techniques to determine impact. The Division has already undertaken some activities along these lines. The task involved in gathering such information however is large, the cost relatively high and with severe constraints upon the speed with which such studies can be undertaken.

The relative impact of Provincial programs on various recreational activities will vary greatly. This was clear from Table 7, which illustrated the variety of use of public recreational facilities for various activities. Sufficient information does not exist to be able to determine the relative impact of the Division's activities on expenditures in each and every recreational activity. Consequently a composite figure was compiled to reflect the proportion of all active recreational activities directly related to a Division's programs.

Four elements were considered in deriving this composite figure. First was the Division's contribution to municipal recreation endeavors and relative use of municipal facilities for such activities by the general public. Second, an entry was also made for activities undertaken by other non-profit groups and organizations or undertaken individually by the participants. Third, an allowance was made for the general contribution of the Division's programs to the awareness of the need for physical activity, the benefits flowing therefrom and information as to how to get involved in certain activities. The fourth element reflects the enhancement of the participation attributable to the leadership training programs, coaching clinics, etc., provided by the Division.

In total, it is estimated that 14.5% of all active recreational activities are closely related to the Division's programs. The derivation of this figure is explained in Appendix A.

Applying this composite figure to the total expenditures by individuals in active recreation pursuits, athletic clothing, vacations and travel related to these activities suggests that approximately $289.7 million of such personal expenditures are closely tied to the Division's Programs. Thus for every one dollar which the Province spends for recreational activities, the general public directly spends approximately $4.61.

A useful comparison might be made concerning the relative proportions of public and private expenditure for other programs undertaken by the Province. A review of the economic impact of the Ontario provincial parks for the year 1979 indicated that direct Provincial expenditures on the parks amounted to approximately $24.4 million, whereas the direct park visitor expenditures amounted to $37.5 million. Consequently, for every one dollar spent by the province on the provincial parks, the general public spent directly $1.54.

Every dollar spent by the government or private individuals circulates throught the economy creating additional income and employment as it is spent and re-spent. The relationship between the initial expenditure and the ultimate effect which that expenditure has on the total economy is termed a multiplier.

The value of the multiplier will be significantly different for various types of activities. The multiplier related to the purchase of many athletic goods and equipment is quite low in that a large part of such goods are imported into the Province. Consequently the benefits to the producers of those goods flow outside the Province. On the other hand, expenditures on services tend to produce very high localized effects and consequently produce a very high income multiplier.[1]

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[1] The multipliers utilized for this analysis were derived from an input/output analysis of the Ontario economy compiled by Dr. A.A. Kubursi of McMaster University. Specific multiplier values utilized are as follows:

Active Recreation Expenditures	1.16
Athletic Clothing	1.12
Travel, Food and Accommodation	1.88
Provincial Government Expenditures	1.54

These figures represent the ultimate increase in provincial income arising from each dollar of initial expenditure.

Applying the multiplier concept to the expenditures of both the private and public sectors attributable to the Division's programs results in a total impact or income effect on the Provincial economy of $536.0 million arising from the Division's expenditures of $62.8 million.

Consequently every dollar which the Province spends on recreational activities ultimately results in approximately $8.60 of total income in the province.

In addition, as noted above a significant amount of volunteer time is directly related to participation in recreational activities. Such volunteer activities provide a net addition to society since they do not exist in the general provincial accounting framework. In addition to the $536 million of total income produced by the Division's programs, it is estimated conservatively that $29.6 million of volunteer time of the total of $204 million can be directly related to the Division's programs. This represents a further $.47 of net resources "created" from every dollar of Divisional spending. Adding this amount to the $536 million of direct spending yields $566 million as the total impact of the Division's programs.

APPENDIX A

DETERMINING THE IMPACT OF RECREATION DIVISION EXPENDITURES

In our report we noted that 14.5% of total personal expenditures on recreation were deemed to be closely related to Division activities. This composite figure was derived after an analysis of four fundamental components of the Division's programs:

1. Assistance to municipalities.

2. Assistance to others, including sport governing bodies, provincial recreation associations, camps and others.

3. Direct programs undertaken by the Division to encourage participation in sports and recreational activities.

4. Leadership training programs sponsored and/or funded by the Division.

An analysis was undertaken to determine the contribution of each of the basic types of programs to the overall participation in recreational activities. This composite figure was then applied to total personal expenditures for active recreational activities, sports clothing and a proportional share of recreation-related travel, accommodation and food expenditures to determine the total dollar impact of the Division's programs. The purpose of this Appendix is to outline the calculations employed in deriving the composite figure.

1.0 Division Assistance to Municipalities

Of the $52 million distributed to outside bodies and organizations, approximately one-half (51.7%) or $27 million is distributed to municipalities.

These funds assist municipalities in providing capital facilities and recreational programs. From a capital standpoint, Division assistance provides approximately 18.7% of the total cost involved in the construction of such facilities.

As part of a series of surveys undertaken for the Division, a recent Gallup Poll enquired as to the percentage of total participation in various recreational and sports activities taking place in different types of facilities. As expected, the percentage of participation occurring in public and non-profit recreational facilities varied widely. For example, approximately 79% of all soccer, 62% of ice skating and hockey, 59% tennis and badminton and 51% of all swimming takes place in such facilities. At the lower end of the scale, 17% of horseback riding, 12% of bowling and 8% of weightlifting occurs in public or non-profit accommodations. At the extreme low end of the scale, particularly with respect to certain outdoor activities such as snowshoeing, roller skating, sailing, boating and fishing, no activity was indicated in public recreation facilities.(1)

A composite figure was developed utilizing actual personal expenditures on each individual activity as weighting factors to determine the total proportion of all such expenditures which might be reasonably related to municipal recreational facilities. The composite figure derived was 39.7%.

---

1. This finding is, perhaps, invalid because some municipalities do provide marina and harbor facilities, others boating, sports facilities, etc.; consequently some of the indicated activities actually do take place in public facilities to which the Division contributes. But we have not included this in calculating our composite figures.

This 39.7% is then combined with the percentage the Division contributes (approximately 18.7%) to the total capital costs of such municipal facilities and yields the conclusion that approximately 7.4% of all private recreational expenditures can be closely tied to Division assistance to municipalities for recreational purposes (39.7% x 18.7% = 7.4%).

2.0 Division Assistance to Other Outside Groups

The remaining 48.3% of Division expenditures transferred to others flows to a variety of groups and organizations including sport governing bodies, provincial recreation associations, camps and others.

The activities and programs initiated by these organizations take place both in public and private facilities, outdoor recreation areas, etc. For the purposes of the present calculation, it is assumed that the effect of additional expenditures on participation in activities which occur within public recreational facilities has already been captured from the calculation in 1.0 above. Consequently, the net additional impact arising from Division assistance to these outside agencies will be captured, from the standpoint of this calculation, as it affects the 60.3% of all activities which occur outside the public recreational facilities (100% - 39.7% = 60.3%).

There is no comprehensive information concerning the number of persons with whom these outside agencies have direct contact or their influence in terms of promoting recreation and sports participation. For the purposes of this calculation, it is assumed that funds expended by these outside agencies are as cost-effective as are those Division funds provided to the municipalities. On this basis, a total of 4.5% of all private expenditures can be closely attributed to expenditures by these outside agencies on activities occurring outside public facilities (60.3% x 7.4%).

A further adjustment has been made, reducing this figure by 10%, to allow for any double counting resulting from overlap. Thus, in total, 4.1% of total private expenditures have been deemed closely related to Division expenditures on outside agencies which encourage participation outside public recreation facilities.

3.0 Direct Programs - Participation

In addition to the funds provided to outside agencies, the Division runs a series of direct programs, such as FitFive, to encourage participation in recreational, fitness and sports activities. There is no information available concerning the total number of people affected by the programs, although records concerning direct participation in FitFive illustrate the effect is quite substantial.

Available information indicates that no one single factor can be described as the direct or single cause of recreational or sports participation. Rather, there usually are many factors which combine to encourage such activities. Nevertheless, it would be quite wrong to underestimate the effect of such direct programs of encouragement. Consequently, for the purposes of this calculation, it has been assumed that the additional impact of the Division's participation programs is 1% of total private expenditures.

4.0 Direct Programs - Leadership Training

The fourth component of the calculation arises from the leadership training programs sponsored by the Division. These programs include the leadership programs at Bark Lake, the Coaching Certification Program, the Fitness Leadership Program, etc.

These programs have two types of effects. First, they encourage overall participation in the specific activity and second, they improve the quality of that participation at all levels. While information is available concerning the number of persons attending such leadership training sessions and programs, there currently is no information available concerning the number of persons with whom these trained leaders have direct contact, or the influence which they have. For the purpose of this calculation, it has been assumed that the additional impact of these leadership training programs upon total private expenditures is 2%.

5.0 SUMMARY

In total, 14.5% of private expenditures have been closely linked to Division programs. This is broken down as follows:

1. Division assistance to municipalities: 51.7% of Division's budget.

Proportion of all private recreation activities carried out in municipal recreation facilities: 39.7%.

Division contribution as percentage of capital cost of municipal recreation facilities: 18.7%.

Division assistance to municipalities and other programs which encourage participation in municipal facilities: 39.7% x 18.7% = 7.4%.

2. Division assistance to other groups: 48.3% of Division's budget.

Proportion of all private recreation activies carried out in non municipal recreation facilities: 100% - 39.7% = 60.3%.

Division assistance to other organizations and its effect on participation in non-municipal facilities: 60.3% x 7.4% = 4.5%; less 10% for overlap = 4.1%.

3. Estimated effect of direct Division programs encouraging participation in recreational and sports activities: 1.0%.

4. Estimated effect of direct Division programs training leaders for sports, fitness and recreational activities on private recreation expenditures: 2.0%.

5. Total estimated effect of Division programs = 14.5% of private expenditures on recreation.

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Ontario

Ministry of Tourism and Recreation

RECREATION...a changing society's economic giant

CASE STUDY—SAULT STE. MARIE
VOLUME 6

An economic impact study prepared by

Earl Berger Limited

October 1983

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SAULT STE. MARIE

"Thank God we have had eight or nine years to get a good base of (recreational) facilities for the unemployed. Otherwise, we don't know what they would do."

Harold Brain
Commissioner, Parks and Recreation
Sault Ste. Marie
May 1983

1.0 SUMMARY OF FINDINGS AND CONCLUSIONS

The purpose of this Background Paper is to identify and analyze the economic impact of Recreation Division expenditures in the City of Sault Ste. Marie over the period 1978-82.

Our findings with respect to quantifiable economic impact are incomplete. Consequently, the figures shown below represent only identifiable economic impacts and under-represent the likely actual economic impact. These figures do not take into account a provincial multiplier effect.

The Summary Table below indicates that 1978-82 Division expenditures of some $3.2 million are associated with identifiable expenditures of at least $15.8 million by the municipality and others.

Division Program	Total Capital Expenditures	Division Contribution	Operating Expenditures	Participant & Spectator Expenditures	Total Identifiable Expenditures
Capital Grants	$6,477,246	$2,686,862	$5,054,000	$1,160,250	$12,691,496
Non-Capital Grants	--	437,411	--	--	2,961,036
Program Grants	--	57,309	--	--	126,874
TOTAL	$6,477,246	$3,181,582	$5,054,000	$1,160,250	$15,780,246

The actual economic impact of the Division's $3.2 million expenditure can be calculated in several ways:

- Total identifiable expenditures by the municipality and others of at least $15.8 million.
- The use of the consultant's multiplier of 1:8.60 (Background Paper #5), creating a total economic impact of $27,361,605.
- Calculating the "perceived impact", as distinct from the actual, value of the Division's contribution. For example, the Division contributed more than 50% to the John Rhodes Centre, but the Centre would not have been built without that contribution. Should 100% of the economic impact of the Centre be attributed to the Division, or only 50%?

Division Contribution

The Division's dollar contribution to a particular facility or program does not necessarily provide a reliable guide to the actual value of that contribution. Examples include the John Rhodes Centre and the leadership programs. Support from the Division is often the first, critical element in getting the program off the ground and in providing it with the credibility necessary for it to obtain the broader funding and public involvement it requires in order to establish itself.

The economic impact of Division expenditures represents benefits to various parties. Sports complexes and organizations benefit in terms of participant and spectator expenditures. Individuals benefit from having a variety of recreational activities to choose from and from new employment opportunities. Businesses benefit in terms of purchases made by participants and employees in recreational activities, and expenditures by tourists drawn to Sault Ste. Marie for sports events. According to Harold Brain, approximately 9,000 to 10,000 tourist day visits per annum are recorded as a result of visits to sports tournaments held at recreation facilities in the city.

Stepping away from data quantification for a moment, there are also other benefits of major economic and social importance to which we were not able to attribute any quantitative value within the time and budget available to us. The data we have compiled on the use of the various recreation facilities do not reflect the role these facilities have played in sustaining the social fabric of the community and the personal well-being of individuals during this extended period of high unemployment. The data we have collected, however, do provide a basis for translating the "quality of life" advantages of recreation into a framework for policy-making and quantitative analysis, particularly in "at risk" communities such as Sault Ste. Marie. These findings are discussed in more detail in the Final Report and are presented here only insofar as they arose out of the Sault Ste. Marie Case Study.

1. Mental Health

The evidence from Sault Ste. Marie strongly supports our other findings that recreation plays a key role in community life, and personal life, particularly during times of economic depression. The increasing public demand for recreation programs indicates the high priority which individuals give to leisure activities - a priority which is supported by municipal politicians and staff.

This is consistent with other findings that recreation activities play an important part in the emotions and mental attitudes of the individual and in establishing and maintaining the social fabric of the community. We have no figures on the effects of recreation programs in Sault Ste. Marie with respect to anxiety states, stress and similar conditions. But we think it unlikely that an examination of these effects would produce results differing in thrust, although reduced in magnitude, from those found in other settings such as the workplace (Background Paper #2).

Given that other provincial ministries - especially the Ministry of Health with its emphasis upon mental health and preventive programs - are concerned about these matters, the Ministry of Tourism and Recreation should explore the benefits of various joint programs at the municipal level, in conjunction with the affected municipalities. First priority might be given to those municipalities at risk because of high levels of sustained unemployment.

2. Leadership and Community Development

The leadership training and similar programs supported by the Recreation Division have proved to be an important element in establishing a trained leadership cadre in the community which could then go out and establish, organize and expand the previous system of community-based agencies to cope with the increasing demands for their services.

The Division invested only several thousand dollars in these programs but, judging by the results and the comments of participants, this cost-effective expenditure has been of incalculable importance in terms of protecting and maintaining the social fabric of the community and the integrity of individual lives.

3. Municipalities

The funding of the Division plays a critical role in the economic, as well as social, life of Sault Ste. Marie. It is our impression from our discussions with Sault Ste. Marie public servants that, while they were aware of this importance, they did not have a handle on how to explain or quantify or analyse it. It is not unlikely that other municipalities are in a similar position.

There are two dimensions to this issue. One is to develop an increased understanding among municipalities of the economic implications of expenditures in the recreation field. The second dimension is to provide the municipalities with a better understanding of how to use economic analyses as one tool for disaggregating "quality of life" into separate, even if related, components which can be analysed and evaluated: for example, the relationship of specific recreation program thrusts to the unemployment situation and particular at-risk target populations.

4. Tourism

The detailed estimates on the following pages provide extensive evidence of the importance of recreation facilities and programs in attracting tourists. It would be useful to explore this relationship more comprehensively with respect to its policy and program implications for the Ministry.

The Sault Ste. Marie Case Study provides a rich lode of information and insight into the dynamics of Division funding at the local level, and the far-reaching effects which that funding can have on the economic situation in the community, and on its social fabric and the personal mental and physical health status of its residents.

This examination demonstrates that the economic impact of Division expenditures in Sault Ste. Marie has been considerable. The precise extent of that impact is a matter for additional analysis. There is, however, no doubt that many capital and other programs would not have come about without the contribution of the Division. In other instances, the Division's contribution was a significant or substantial factor.

The full impact of Division expenditures should also take into account the effects on individual physical and mental health, social stability and social cohesion.

The implications of all these impacts might prove to be instructive for Ministry staff, other ministries and other municipalities.

The evidence from Sault Ste. Marie points clearly to the practicality of considering Division funding and programs within a broad context which includes other ministries as well as the subject municipality.

2.0 INTRODUCTION

2.1 SAULT STE. MARIE

The purpose of this report is to provide an insight into the economic effects of Division funding, including Wintario capital and non-capital grants, in a specific municipality. Sault Ste. Marie was selected for several reasons. The municipality is of a manageable size with respect to the time and resources available to the consultants. The Parks and Recreation Department is well organized and able to produce much of the data required for our case study. The city is remote from other major centres and, hence, reasonably self-contained with respect to recreation-related activities; consequently, there is not a major problem with respect to spillover and substitution effects among adjacent or nearby municipalities and the issues associated with Division funding are more clear cut.

Also, Sault Ste. Marie suffers from a high rate of unemployment which is likely to remain so for some considerable period of time. This unfortunate situation provides an opportunity to assess the roles of the Recreation Division with respect to unemployment across the province.

These circumstances render Sault Ste. Marie atypical in some respects; but all municipalities can be regarded as atypical. A choice had to be made and, in the event, this case study of Sault Ste. Marie proved to be instructive.

Sault Ste. Marie's 82,000 residents can participate in a variety of recreational activities including swimming, skating, skiing, sailing, horse-back riding, camping and a number of team sports. In addition, tournaments and championships draw spectators from the community and across Canada and the U.S.

The city is a major commercial and industrial centre; its principal employer is Algoma Steel Inc. During the 1970's, Algoma was one of the top 10 companies in the province with respect to salaries. But, at present, there is a weak demand for the structural steel products it produces, since the construction industry is experiencing a slump. The company has been forced to lay off workers, as well as other staff including senior management. The company is a very efficient operator and is continuing to upgrade and automate its operations. Many laid-off Algoma employees will not likely find work there again.

The city is also a regional centre for provincial and federal government activities. Neither government sector is likely to expand in the near future and some contraction is probable.

Unemployment in the city stands at 25% to 30% and is not expected to improve substantially in the near future. For some residents, unemployment insurance benefits have run out or will run out shortly. For many young people, including young marrieds and their children, this means moving back in with their parents.

One of the significant results of unemployment has been an increased demand for recreation services, thus increasing pressure on municipal resources. The YMCA/YWCA is said to be "bursting at the seams" and is now open all day to meet increased demands for programs. Parks and Recreation have added new programs, despite a reduced budget for 1983 which is already fully committed. Registration in community programs is reported to have increased by 15-20% since unemployment became serious. Baseball leagues are going afternoon as well as evening. During the winter people were out cross-country skiing on weekdays as well as on weekends, and the use of city parks has increased "phenomenally".

The high priority which the public attaches to recreation activities is evidenced by the fact that people seem to continue to channel discretionary funds into this area while cutting down on other expenditures.

During the 1979 municipal strike there seemed to be at least as much public concern about parks and recreation as there was about garbage pick-up, according to municipal officials. The opening of the John Rhodes Centre drew a full crowd, despite the fact that Sault Ste. Marie is a strong union town and people had to cross the municipal employees' picket line in order to get inside.

Municipal officials are concerned about what should be done when residents have exhausted UIC benefits and can no longer afford registration fees. Some people are already requesting forgiveness or reduced fees for program registrations so they can continue to participate. A committee of representatives from the various organizations with capital facilities has been struck to determine how best to meet the situation. Suggestions include developing a skills exchange network, making fuller use of existing facilities for recreation purposes, and providing a directory of recreation and leisure services. A list of their recommendations can be found in Appendix I.

The importance of these recommendations lies less in their specifics than in the implicit acknowledgement by elected and public officials of the key role which recreation facilities and programs play in a community, and in the life of an individual and family, during times of stress. This is consistent with the literature on the subject on recreation and mental health which is discussed in our Final Report and in Background Paper #2.

There is a long history of collaboration between the Recreation Division's regional office and the municipality and organizations within the municipality. By all accounts, relations seem close and cordial, and municipal officials speak highly and at length about the co-operation they have received from the

Division's regional office. A close reading of the figures in this report will suggest to the knowledgeable reader that the Division's regional office has been successful in ensuring that the people in Sault Ste. Marie received their fair share of the Division's financial resources.

2.2 COMMENTS ON METHODOLOGY

The objective was to determine the economic impact of the Recreation Division's financial contribution to municipal and non-municipal capital, non-capital and other projects and programs within the municipal boundaries of Sault Ste. Marie. Economic impact is defined as "Total Expenditures" associated with Division funding. These expenditures circulate through the local and provincial economy generating an economic impact.

Total Expenditures are defined as follows:

- Recreation Division Expenditures - Contributions by the Division to the capital and non-capital or program costs.
- Expenditures by other government agencies, the municipality, recreation facilities, sports organizations, private sectors and others, including capital, operating and program expenditures.
- Participant Expenditures - Estimates of expenditures by participants in the program or using the facility; e.g., for equipment, travel, etc.
- Spectator Expenditures - Estimates of expenditures by spectators of the program or at events held in the facility.

If the data were complete, these expenditures, together with an appropriate multiplier, would represent the total economic impact of Recreation Division funding in Sault Ste. Marie.

Data were collected from the Sault Ste. Marie office of the Recreation Division regarding all funding transfers by the Division to Sault Ste. Marie and the various organizations and agencies within the municipal boundaries. We collected from the Parks and Recreation Department all its available information on its total expenditures for capital, non-capital and other projects and programs in which the Recreation Division also participated. We also obtained from the Parks and Recreation Department its estimates of total expenditures on projects and programs by non-municipal organizations to which the Recreation Division also contributed. Because of budget constraints we were not able to survey these organizations directly.

In order to obtain a more reliable estimate of expenditures, we decided to take a survey over five years, from 1978 through 1982. This takes into account the fact that capital grants are often paid over several years. For this reason the data presented are based on grants approved during the above-mentioned years, regardless of the actual payment schedule.

For the purposes of this study, data have been organized on the basis of the type of funding provided by the Division: namely capital grants, non-capital grants and program grants. Capital grants include monies awarded primarily through CRCA and Wintario for the construction and repair of recreation facilities. Non-capital grants include funds awarded to the Community Services Board of Sault Ste. Marie; Wintario grants for recreation, sports and fitness expenditures on equipment, competitions, leadership development and community events; and discretionary grants for special projects. Program grants help pay for hiring and training personnel in recreation.

The logic is not sophisticated, but it does, in our opinion, provide a rough guide to the economic impact of the Recreation Division's expenditures at the municipal level.

However, there are caveats and limitations which need to be noted:

- The "economic impact" estimates in this report are defined as "total identifiable expenditures" associated with all projects and programs to which the Recreation Division has contributed.

- The basic data are incomplete for many programs and projects: in some cases we have made conservative estimates of expenditures; in many cases we have not been able to make any estimate. We have not been able to go into the detail we did for the Ice Skating Case Study regarding participant and volunteer expenditures, or the value of volunteer time. Consequently, the figures we arrive at are underestimates of total expenditures and of total direct economic impact.

  Also not included are leadership training grants to the Volunteer Bureau for the years 1978 - 81.

- We have not employed a provincial multiplier effect. Consequently, there is no assessment of total - direct and indirect - economic impact.

- The dollar expenditure by the Division on a particular project or program often misrepresents the actual contribution by the Division. In one or two cases, the dollar contribution may overestimate the actual contribution because the project or program would have gone ahead even without Division funding. In many cases, however, the Division's dollar expenditure underestimates the actual contribution because the project or program would not have gone ahead at all without the Division's money (the John Rhodes Centre is the most obvious example) or would have been severely curtailed.

We have taken the advice of municipal officials on establishing a value (in percentage terms) for the Division's financial contribution to capital expenditures. Otherwise, we have assumed that the actual contribution is equal to the dollar contribution. The data provided herein is sufficiently detailed and the gaps well enough defined that the reader will be able to attempt various impact formulae.

- For some programs we have not been able to establish any quantitative value at all. For example, the Division provided small amounts of money for the training of volunteers who then were able to operate community agencies effectively and to establish new community agencies to meet critical needs arising out of the high levels of unemployment in the municipality. We have also not attributed any economic value to the time spent by the Division's regional office staff.

- The economic impact figures we have arrived at do not take into account the costs to the municipality, and to the provincial coffers, had the various projects and programs not been funded. There is no doubt that the projects and programs in place in Sault Ste. Marie have been of major importance in maintaining a reasonable quality of life in the community during times of considerable economic, and personal, distress. We have not attempted to attach a quantitative value to this benefit.

- This particular field of economic impact analysis is new and relatively untested. The methodology employed for data collection in this case study is straightforward and we have not attempted to employ any sophisticated analytic techniques.

- In February of 1982 provincial government functions were reorganized, abolishing the Ministry of Culture and Recreation, and creating two new ministries: the Ministry of Culture and Citizenship and the Ministry of Tourism and Recreation. Insofar as possible we have disaggregated expenditures prior to 1982 so as to tally expenditures earmarked for Recreation Division activities only.

3.0 CAPITAL GRANTS

This section outlines the allocation of capital grants by the Recreation Division for the construction or repair of recreational facilities in Sault Ste. Marie. Where data are available, total expenditures are comprised of capital expenditures, operating expenditures and participant and spectator expenditures. In most cases, the Recreation Division is credited with a proportion of the benefits resulting from capital expenditures, based on an estimate provided by municipal officials. Given that these percentages are rough estimates, we have not assigned a dollar value to them.

3.1 MEMORIAL GARDENS ARENA

Repairs to the building were undertaken at a cost of $1.2 million. Provincial funding by CRCA and Wintario made it possible for the City to carry out more extensive repairs than would otherwise have been possible. Therefore, the Recreation Division can be credited with approximately 30% of the economic impact, according to municipal officials.

Capital Expenditures	
o Recreation Division	$ 416,000
o Other	784,000
TOTAL	$1,200,000

Estimate of impact of Recreation Division Contribution: 30%

Operating Expenditures	
1978	$ 425,000
1979	450,000
1980	430,000
1981	450,000
1982	500,000
TOTAL	$2,255,000
TOTAL EXPENDITURES	$3,455,000

* This estimate excludes expenditures by participants and spectators.

3.2 JOHN RHODES CENTRE

The Rhodes Centre was built in 1978 at a cost of $1.4 million. Since the building would not have been erected without these funds, 100% of the impacts of both construction and operation can be attributed to the Recreation Division, according to municipal officials.

Capital Expenditures	
o Recreation Division	$ 709,000
o Other	691,000
TOTAL	$1,400,000

Estimate of impact of Recreation Division Contribution: 100%

Operating Expenditures	
1978 - 1982	$1,100,000
TOTAL EXPENDITURES	$2,500,000*

* This estimate excludes expenditures by spectators and participants.

3.3 MCMEEKAN ARENA

Repairs were undertaken in 1982 at a total cost of $430,000. This expenditure resulted in a saving of $30,000 to $40,000 per year previously paid by the municipality for heating and maintenance.

Capital Expenditures	
o Recreation Division	$ 250,000
o Other	180,000
TOTAL EXPENDITURES	$ 430,000*

Recreation Division Contribution : 58%**

* This estimate excludes impact of savings in operating expenditures and also expenditures by participants and spectators.

** No estimate of impact of Division contribution was provided by municipal officials for this facility.

3.4 QUEEN ELIZABETH PARK ALL-WEATHER TRACK

The All-Weather Track was constructed at a cost of $250,000. Provincial funding for almost 70% of the cost made it possible for the facility to be built, so that 100% of the benefits are attributed to the Ministry by municipal officials.

The track is used continually by local residents as well as for competitions. Sault Ste. Marie has hosted the North Eastern Ontario Championships, the Handicap Games and the Friendship Games since the facility opened in 1979.

Capital Expenditures	
o Recreation Division	$ 173,000
o Other	77,000
TOTAL	$ 250,000

Estimate of impact of Recreation Division Contribution : 100%

Operating Expenditures 1978 - 1982	$ 50,000

Participant and Spectator Expenditures	
o North Eastern Ontario Championships 1,500 visitors x 2.5 days x $30* x 2 yrs.	$ 225,000
o Handicap Games 300 visitors x 3 days x $62 per diem x 4 yrs.	$ 223,200
o Friendship Games 1,000 visitors x 2 days x $70 x 2 yrs.	$ 280,000
TOTAL	$ 728,200
TOTAL EXPENDITURES	$1,028,200

* Average cost, assuming substantial billeting in private homes.

3.5 SOCCER PITCHES AND FOOTBALL FIELDS

The cost of these facilities was $115,000. Thirty per cent of the benefit is attributed to the Recreation Division by municipal officials. The playing fields provide a site for championship games and so raise substantial revenue. Annual events include the Steel Town Brass from the United States and a competition between the Toronto Blizzards and the Northern Ontario Selects. The Steelers football team play six games yearly at this facility, without which they could not remain in the league.

Every second year Sault Ste. Marie hosts the East Ontario High School football finals as well as a European touring soccer team.

Capital Expenditures	
o Recreation Division	$ 50,000
o Other	65,000
TOTAL	$ 115,000

Estimate of impact of Recreation Division Contribution: 30%

Operating Expenditures 1978 - 1982	$ 175,000

Participant and Spectator Expenditures

o	Steel Town Brass	
	500 visitors x 1 day x $35 accom. x 4 yrs.	$ 70,000
	1,500 people x $2.50 concessions x 4 yrs.	15,000
o	Blizzards vs. Selects	
	30 visitors x $75 meals & accom x 4 yrs.	9,000
	3000 spectators x $2.50 concessions x 4 yrs.	30,000
o	Steelers Football Game	
	1500 spectators x 6 games x $2.50 conc. x 5 yrs.	112,500
o	East Ontario High School Football Finals	
	140 visitors x $35 accom. x 2 yrs.	9,800
	3000 spectators x $2.50 concessions x 2 yrs.	15,000
o	European Tour	
	25 visitors x $75 meals & accom. x 2 yrs.	3,750
	3000 spectators x $2.50 concessions x 2 yrs.	15,000
TOTAL		$ 280,050
TOTAL EXPENDITURES		$ 570,050

3.6 STRATHCLAIR PARK

Slated to open in 1984, Strathclair Park will include two soccer pitches and five football fields at a projected cost of $400,000. The Division contribution was essential in order for the project to go through, therefore 100% of benefits are ascribed to the Division by municipal officials.

Capital Expenditures

o	Recreation Division	$ 264,000
o	Other	136,000
TOTAL EXPENDITURES		$ 400,000*

Estimate of impact of Recreation Division Contribution : 100%

* This estimate excludes operating expenditures and participant and spectator expenditures.

3.7 SAULT FINNISH SKI CLUB

This facility is operated by a non-profit organization. Recreation Division assistance was essential to the building of the club which cost $600,000, and municipal officials credit the Division with 100% of the benefit. Most of the funding was provided in the form of Wintario grants. The municipality, which was responsible for making skiing facilities available, provided free land and parking space for the club. Included are a private club and a public facility.

The Ski Club attracts a large number of tourists as well as major skiing events. There are approximately four championships held here each year.

Capital Expenditures	
o Recreation Division	$ 363,000
o Other	237,000
TOTAL	$ 600,000*

Estimate of impact of Recreation Division Contribution : 100%

Operating Expenditures 1978 - 1982	
o Public facility	$ 250,000
o Private club	625,000
TOTAL	$ 875,000
TOTAL EXPENDITURES	$1,475,000**

* This figure excludes estimates for the value of volunteer time and for the land and parking facilities provided by the City free of charge.

** This estimate excludes participant and spectator expenditures.

3.8 THE HORSE AND PONY CLUB

The arena for the riding club is in the process of being built. The provision of funding by CRCA and Wintario for this $180,000 project was critical in order for the club to be built, and 100% credit is attributed to the Division by municipal officials.

Capital Expenditures	
o Recreation Division	$ 50,000
o Other	130,000
TOTAL EXPENDITURES	$ 180,000*

Estimate of impact of Recreation Division Contribution : 100%

* This estimate excludes operating expenditures and participant and spectator expenditures.

3.9 THE SAILING CLUB

A new club house has been constructed, made possible by Wintario funding, and 100% credit is attributed to the Division by municipal officials. Revenues include membership fees of $60, of which approximately $50 goes to the club house.

Capital Expenditures		
o	Recreation Division	$ 36,000
o	Other	84,000
TOTAL		$ 120,000

Estimate of impact of Recreation Division Contribution : 100%

Participant Expenditures		
o	95 members X $60. X 4 years	22,800
TOTAL EXPENDITURES		$ 142,800*

* This estimate excludes operating expenditures, spectator expenditures, and other participant expenditures.

3.10 THE MARINA

The Marina opened in 1979. Of the 60 slips associated with the marina, the construction of 40 was the direct result of Division funding, according to municipal officials.

Capital Expenditures		
o	Recreation Division	$ 147,000
o	Other	1,053,000
TOTAL		$1,200,000

Estimate of impact of Recreation Division Contribution : 67%

Operating Expenditures		
	1979	30,000
	1980	40,000
	1981	46,000
	1982	52,000
TOTAL		$ 168,000
TOTAL EXPENDITURES		$1,368,000*

* This estimate excludes participant and spectator expenditures.

3.11 CAMP WAKONDA

This camp is run by the Kiwanis Lakeshore on behalf of disabled, mentally retarded and other disadvantaged persons. The Division is considered by municipal officials to be responsible for 100% of benefits.

Capital Expenditures		
o	Recreation Division	$ 114,000
o	Other	26,000
TOTAL		$ 140,000

Estimate of impact of Recreation Division Contribution : 100%

Operating Expenditures		
	1978	$ 75,000
	1979	77,000
	1980	78,000
	1981	80,000
	1982	81,000
TOTAL		$ 391,000
TOTAL EXPENDITURES		$ 531,000*

* This estimate excludes participant and spectator expenditures.

3.12 BELLEVUE PARK

The construction of the bandshell was partially funded by a special recreation cultural grant from the Division. Credit for 30% of the benefits is assigned to the Division by municipal officials.

Capital Expenditures		
o	Recreation Division	$ 30,000
o	Other	50,000
TOTAL		$ 80,000

Estimated impact of Recreation Division Contribution : 30%

Operating Expenditures		
	1979	$ 10,000
	1980	10,000
	1981	10,000
	1982	10,000
TOTAL		$ 40,000
Spectators		
o	1,400 people x 60 concerts x concession expenditures x 4 yrs.	$ 152,000
TOTAL EXPENDITURES		$ 272,000

3.13 OTHER FACILITIES

The following are other facilities which received funds through CRCA grants between 1978 and 1982, and about which no further details were obtained.

Facility	Amount Awarded	Estimated Real Cost*
Birchwood Park	$ 14,666.66	$ 58,666.64
Centennial Playground	5,000.00	20,000.00
H.M. Robins School Athletic Field	9,323.67	37,294.68
James Elliott Sports Field	10,049.74	40,198.64
Bayview Park Athletic Field	13,805.16	55,220.64
Glasgow Park	3,451.29	13,805.16
Westwood Park	3,620.45	14,481.80
James Elliot Park	8,750.00	35,000.00
Young St. Park	16,194.52	64,778.08
TOTAL	$ 84,861.49	$ 339,445.64

* Based on the funding formula of 25% of total cost up to a maximum of $75,000.

4.0 NON-CAPITAL GRANTS

Non-capital funds are provided by the Recreation Division to assist municipalities in covering the costs of running sports and recreation programs. Regulation 200 grants are awarded to the City itself for basic expenditures. Wintario grants are awarded to clubs, community centres, etc., for expenses such as purchasing equipment, hosting competitions, offering workshops, travelling to championships and staging community events. Discretionary grants are available to the municipality as well as to organizations for the purpose of carrying out special projects.

4.1 REGULATION 200 GRANTS

Each year the Community Services Board of Sault Ste. Marie is eligible for a grant based on the previous year's expenditures. For each year from 1978 through 1982 the City received the maximum grant of $12,000. Total funding under Regulation 200 for 1978-82 is $60,000.

4.2 OTHER WINTARIO GRANTS

Wintario non-capital grants to Sault Ste. Marie fall into three categories: recreation, fitness and sports. The following chart summarizes the total amounts awarded to each area from 1978 to 1982.

o	Recreation	$	38,743
o	Fitness		4,159
o	Sports		320,044
		$	362,946

In the case of grants for recreation and fitness, approved amounts represent one half the total cost to the organizations. For sports, the percentage of expenditures covered by the grants varies depending on the type of expenditure. Calculations based on these percentages indicate that the real costs represented by the grants total a minimum of $2.8 million (see Appendix II). This figure does not include the cost of meals and a proportion of the accommodation costs incurred during tournaments and championships, for which no estimate is available.

4.3 DISCRETIONARY GRANTS

Division funds are sometimes solicited by community groups or the municipality for special projects. These projects do not usually require large sums of money and so are covered by discretionary grants. In addition to five grants to the City of Sault Ste. Marie, grants were awarded to the YMCA, the Sault Association for the Mentally Retarded, the Volunteer Bureau and the March of Dimes. Projects included workshops on fitness, recreation, community services and the handicapped.

The following chart summarizes disbursements by the Recreation Division in the form of discretionary grants for the years 1978 through 1982.

Year	# of Grants Awarded	Total Amount Awarded
1978	1	$ 1,088.41
1979	2	6,000.00
1980	1	386.05
1981	5	6,484.31
1982	1	506.71
TOTAL	10	$ 14,465.48

5.0 PROGRAM GRANTS

In addition to capital and non-capital grants, the Division provides funds for training volunteers and hiring students during the summer.

5.1 TRAINING GRANTS

In 1982 the Volunteer Bureau of Sault Ste. Marie received two Leadership Development Training Grants from the Division:

o	Caring Skills Workshop	$ 432
o	Volunteer Co-Ordinator Series	$ 1,472

Details about the Caring Skills Workshop, provided by Joanna Miller, Director of the Volunteer Bureau, indicate just how cost-efficient this project was. The 22 volunteers who attended the workshop contributed a total 5,384 hours of voluntary service to community agencies in 1982. If their time is valued at $10 an hour, the return would amount to $53,840 in that year. In addition, the services of these volunteers and the agencies which they served have proved vital during the recession. According to Mrs. Miller: "We would not be able to continue to provide training opportunities for community leaders in voluntary organizations locally without the grants."

5.2 SUMMER EMPLOYMENT GRANTS

Another way in which the Division contributes to recreation is through the "Experience" summer employment program for students. For those proposals which are approved, the Division pays 75% of the salaries and benefits of all students who are hired, while the employee covers the remaining 25% plus other costs such as administration, materials, equipment and facility rentals. For the years 1978 through 1982 Sault Ste. Marie received funding for 28 projects including historical research, information and referral services and sports instruction.

5.2.1 Experience '78 - '82 Funding

Year	No. of Projects	Total Grants	Estimated Total Expenditure*
1978	12	$ 26,607	$ 35,476
1979	5	8,636	11,515
1980	3	5,770	7,693
1981	5	9,725	12,967
1982	3	4,667	6,223
TOTAL	28	$ 55,405	$ 73,874

* Includes grant monies plus remaining 25% of salaries but excludes other employer costs.

6.0

SUMMARY TABLES

SAULT STE. MARIE

CAPITAL, NON-CAPITAL, PROGRAM GRANTS AND EXPENDITURES

Capital Grants and Expenditures

Facility	Capital* Expenditures	Division Contri-bution	Operating Expenditures	Participant & Spectator Expenditures	Total** Identifiable Expenditures
Memorial Gardens Arena	$1,200,000	$ 416,000	$2,255,000	--	$3,455,000
John Rhodes Centre	1,400,000	709,000	1,100,000	--	2,500,000
McMeekan Arena*	430,000	250,000	--	--	430,000
All-Weather Track	250,000	173,000	50,000	728,200	1,028,200
Soccer Pitches	115,000	50,000	175,000	280,050	570,050
Strathclair Park	400,000	264,000	--	--	400,000
Sault Finnish Ski Club	600,000	363,000	875,000	--	1,475,000
The Horse & Pony Club	180,000	50,000	--	--	180,000
The Sailing Club	142,800	36,000	--	--	142,800
The Marina	1,200,000	147,000	168,000	--	1,368,000
Camp Wakonda	140,000	114,000	391,000	--	531,000
Bellevue Park	80,000	30,000	40,000	152,000	272,000
Other CRCA Funding	339,446	84,862	--	--	339,446
Sub-total	$6,477,246	$2,686,862	$5,054,000	$1,160,250	$12,691,496

* Includes Division contribution.

** Comprised of capital expenditures, identified operating expenditures and participant and spectator exdpenditures.

Non-Capital Grants & Expenditures

Grant	Division Contribution	Total Identifiable Expenditures
Regulation 200	$ 60,000	$ 60,000
Other Wintario	362,946	2,886,571
Discretionary	14,465	14,465
Sub Total	$ 437,411	$ 2,961,036

Program Grants & Expenditures

Grant	Division Contribution	Total Identifiable Expenditures
Training	$ 1,904	$ 53,840
Experience	55,405	73,874
Sub Total	$ 57,309	$ 127,714
Totals	$3,181,582	$15,780,246

TOTAL IDENTIFIABLE EXPENDITURES: $15,780,246 (excluding multiplier effect)

TOTAL DIVISION CONTRIBUTION: $3,181,582

TOTAL ECONOMIC IMPACT: $3,181,582 X 8.60 = $27,361,605

APPENDICES

APPENDIX I

"RECOMMENDATIONS TO BE CONSIDERED TO ASSIST PERSONS TO COPE WITH UNEMPLOYMENT AND TO HELP MAKE RECREATIONAL PROGRAMS ACCESSIBLE TO UNEMPLOYED - COMPILED BY A MULTI-AGENCY COMMITTEE IN SAULT STE. MARIE

"1. Self-help program opportunities--matching needs for services with skills of persons available to perform services. Place emphasis on a program to encourage the donation of time by persons with skills and developing skills exchange. Draw on the experience of peers. Draw on the experience of seniors to assist in counselling programs for unemployed on how to cope with free time.

"2. Establish Neighbourhood Activity Centres in area churches, halls, vacant stores, or other buildings, etc.--an opportunity for mutual support and meaningful activity. Decentralize art group activities to neighbourhoods--encourage organizations to provide services close to individual's home.

"3. Place greater emphasis on activities in closer proximity to individual's home--ie. garden plot system throughout city--concentrate efforts on activity opportunities in neighbourhoods where people live.

"4. Cooperative farming of properties--sharing work and produce to help reduce food costs.

"5. Refine program counselling programs with special emphasis on how to cope with free time and managing the home with less. Make counselling services more accessible by:

(a) Centralizing services or representatives of services available at one site.

(b) Use of television for counselling services coupled with a phone-in information service to help the impact on a person asking for help for the first time.

"6. Emphasis on developing self-fulfilling skills, thus changing the prime thrust in many peoples' lives ie. music program on an individual or group basis.

"7. Place emphasis on training programs to reflect new needs which will have an impact on one's living costs--sewing, cooking, home repairs, child care, correcting reaction to stress situations in the home, etc.

"8. Urge the province to defer eliminating grants for non-academic programs for schools for communities with high unemployment and higher than normal pressures for non-academic use of schools.

"9. Tap the resources (human and financial) of service clubs to assist the people to cope with the era of free time.

"10. Review and encourage small industry and business opportunities where persons with skills may produce a saleable product or service--with special emphasis on tourism and products that will apply to this industry.

"11. Emphasize a program of revising public attitudes toward work versus leisure activities--we must realize we are facing a changing of values.

"12. Home sharing programs--seniors with large homes, but requiring assistance, share with young families who are out of work and can't affort to keep a home on their own.

"13. Work with industry and business to reassign underutilized staff time (because of economic slow down) to work on the development of community programs.

"14. Develop ways of continuing on-job training programs for persons part way through apprenticeship programs without pay--even though they may be receiving U.I.C..

"15. The principle of work sharing will have to be accepted as a normal practice in the interest of spreading financial resources among more people--it will require labour management training, education of a new value system for young and old.

"16. Redirect Government Grants to ensure that all funds from this source are used to the best advantage to assist the unemployed.

"17. Review ways of more effectively using existing facilities at little or no cost ie. schools, halls, churches, private swimming pools, etc. since new facilities are unlikely.

"18. Establish a special review to assist summer students who will be out of work during the ensuing summer.

"19. Develop a coordinated directory of recreation and leisure services available in the community (both free and with user fees).

"20. Review leisure time access as an ongoing process--especially during period of economic difficulties."

APPENDIX II

WINTARIO GRANTS TO RECREATION, FITNESS AND SPORTS

	Designation	Year	Division Contribution	Total Identifiable Expenditures*
Recreation	o Equipment	1978	$ 18,190	$ 36,380
		1980	5,633	11,266
		1981	4,438	8,876
		1982	8,035	16,070
	o Shows and Special Competitions	1979	1,729	3,458
	o Leadership Development for Disabled	1981	555	1,110
	o Seminars, Workshops	1981	163	326
Fitness	o Community Fitness Events	1980	659	1,318
	o Community Motivation	1982	3,500	7,000
	TOTALS		$ 42,902	$ 85,804

* In each case the Division contribution is assumed to represent one half of the total expenditures for items listed.

	Designation	Year	Division Contribution	Expenditures Covered	Total Identifiable Expenditures*
Sports	o Championships	1978	$ 7,785		$ 10,380
		1979	13,958	75% of transportation	18,611
		1980	12,575	75% of accomodation	16,767
		1981	31,898		42,531
		1982	7,525		10,033
	o Invitational Tournaments	1978	11,219		22,438
		1979	8,186		16,372
		1980	15,573	50% transportation	31,146
		1981	26,868		53,736
		1982	34,827		69,827
	o Community Sports Equipment	1978	69,004	5% of total expenditures by sports organizations	1,380,080
		1979	19,697		393,940
		1981	17,429		348,580
		1982	16,810		336,200
	o Coaching Development	1978	1,115	50% of development costs	2,230
	o OFSAA Championships	1978	2,048		2,048
		1979	1,026		1,026
	o Coaching Development Volunteer Coaches	1981	411	50% of development costs	822
	o Pilot Projects (Cross country skiing)	1982	22,000	50% of total budget	44,000
	TOTAL		$ 320,044		$ 2,800,767

* Based on grants awarded plus expenditures not covered.

Total minimum Recreation, Fitness and Sports expenditures by sports organizations: $2,886,571.

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